



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, April 16, 2021 at 8:00 a.m.

The meeting was called to order at 8:02 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 83745739614 & password 099456. Participation could be either online or by calling in:
Online: <https://us02web.zoom.us/j/83745739614?pwd=d3lvYk1vL2dlcmdXYkFXRG11OXFNQT09>
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 April 16, 2021 meeting

Moved by Lee Collick to approve the agenda for the April 16, 2021 meeting.

Supported by Bret Nelson.

MOTION ADOPTED UNANIMOUSLY 5/0

Board approval of the draft minutes for the March 19, 2021 meeting

Moved by Lee Collick to approve the draft minutes for the March 19, 2021 meeting.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

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

Adjustments

None

Applications

Christopher N. Annetta, of the police department, PCOA bargaining unit, 25 years (purchased 8.5 months contract time) of service credit. **Amended** retirement date of April 16, 2021 (previously April 15,

2021). Eligible based on years of service/age. Christopher N. Annetta requested 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 amended retirement application and amended estimated pension payment for Christopher N. Annetta.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Retirement Benefits

Brian Zelakiewicz, of the police department, PCOA bargaining unit, 26 years and 6 months (purchased 3 years of contract time) of service credit. Retirement date of January 3, 2021. Selected Option D 75% to surviving spouse - \$6,362.69 gross monthly benefit with withdrawal of contributions / interest of \$84,652.53.

Moved by Lee Collick to approve the gross monthly benefit payment of \$6,362.69 to Brian Zelakiewicz and withdrawal of contributions / interest of \$84,652.53.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

INVESTMENTS

SEI investment report dated April 16, 2021 presented by Terry Gerlich

Market value/allocation of assets as of March 31, 2021 equaled \$177,549,168.

One-month performance (except core property) – total portfolio outperformed benchmark: 1.45% return vs. 1.05% index.

Three-month performance – total portfolio outperformed the benchmark: 3.19% return vs. 2.29% index.

YTD performance - total portfolio outperformed the benchmark: 3.19% return vs. 2.29% index

One-year performance – total portfolio outperformed the benchmark: 40.33% return vs. 36.79% index.

Three-year performance – total portfolio outperformed the benchmark: 10.76% return vs. 10.01% index.

Five-year performance – total portfolio outperformed the benchmark: 11.37% return vs. 10.51% index.

Inception - total portfolio outperformed the benchmark: 8.69% return vs. 8.02% index.

Terry reported that there continues to be a strong rebound in the market and another strong quarter for equity markets, especially small cap stocks. Terry also reported that investment grade bonds are down due to a strong rise in interest rates, which will likely continue to rise in the short-term. Terry reported that investors are the most focused on the strength of the recovery and stated that the economy might see 6.5% growth of the GDP (gross domestic product), which would be the highest the U.S. has experienced in a long time.

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 March 26, 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 March 26, 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 March 26, 2021

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Robbins Geller Rudman & Dowd Q1 2021 Repose Report dated March 26, 2021

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

VanOverbeke, Michaud & Timmony, P.C. memo re: Public Meetings – COVID-19, dated April 1, 2021. Tom Michaud, retirement board attorney, stated that this memo references the Michigan Open Meetings Act that was amended twice in 2020 to allow public bodies to meet remotely during the COVID-19 pandemic. Tom stated that the retirement board can continue to meet remotely at this time.

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

OTHER

Annual advisor and consultant review – In accordance with Board policy, each year one existing advisors/consultants is reviewed along with prospective advisors/consultants. The investment advisor is due for review. Lee Collick proposed to have the retirement board investment advisor prepare a presentation outlining the portfolio's performance in comparison to the investment policy guidelines and indexes and present it to the board at the next meeting.

Moved by Lee Collick to have the retirement board investment advisor prepare a presentation outlining the portfolio's performance in comparison to the investment policy guidelines and indexes, and to table the decision until after the presentation at the next meeting.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

FY 2021-2022 training budget request

Julie Rudd requested that the trustees establish the training budget for FY 2021-22 and stated that the budget for FY 2020-21 was \$1,250.00, with nothing spent year-to-date.

Moved by Lee Collick to set the FY 2021-22 training budget at \$1,250.00.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

NEXT MEETING AND ADJOURNMENT

Next regular meeting is scheduled for 8:00 am Friday, May 21, 2021, via remote Zoom webinar.

Moved by Lee Collick to adjourn the meeting (8:25 a.m.) and confirmed the meeting for May 21, 2021 at 8:00 am.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0