

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

A regular meeting of the Board of Trustees was held on Wednesday, July 28, 2021. The meeting was called to order at 9:04 A.M.

TRUSTEES PRESENT

Sheldon Albritton, Chair – Auburn Hills, Oakland County, Michigan
Darin Carrington, Secretary (electronically) – Pontiac, Oakland County, Michigan
Robert Giddings, Vice-Chair – Auburn Hills, Oakland County, Michigan
James Miriani (electronically) – Oakland Township, Oakland County, Michigan
Walter Moore (electronically) – Lantana, Denton County, Texas
Billie Swazer – Auburn Hills, Oakland County, Michigan
Deirdre Waterman, Mayor (electronically) – Pontiac, Oakland County, Michigan
Patrice Waterman, City Council (electronically) – Pontiac, Oakland County, Michigan

TRUSTEES ABSENT

Samantha Powell
James Walker – excused
John White

OTHERS

Gideon Hart, Plante Moran (electronically)
Courtney Haynes, Mesirow Private Equity (electronically)
Joe Kowalski, Plante Moran (electronically)
Mary Lisanti, Lisanti Capital Growth (electronically)
Marc Sacks, Mesirow Private Equity (electronically)
Phillip Brown, City Videographer (electronically)
Linda Watson, Retiree
Lisa King, 50th District Court (electronically)
Cynthia Billings-Dunn, Asher Kelly
Matt Henzi, Asher Kelly (electronically)
David Lee, Dahab Associates
Steven Roth, Dahab Associates
Mizuki Kanno, Executive Assistant
Deborah Munson, Executive Director

PUBLIC COMMENT: NONE

MANAGER PRESENTATIONS

Lisanti Capital Growth: Mary Lisanti

Ms. Mary Lisanti introduced herself to the Board and she discussed her firm, strategy, and performance.

Mesirow Private Equity: Courtney Haynes; Marc Sacks

Ms. Haynes introduced herself and Mr. Sacks to the Board and they discussed their firm, strategy, and performance.

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

MARCH 31, 2021 AUDITED FINANCIAL STATEMENTS PRESENTATION

Gideon Hart; Joe Kowalski – Plante Moran

Mr. Kowalski introduced himself and Mr. Hart to the Board. He showed the letter draft from Plante Moran to the System and explained that the final will be issued after this meeting. He reported that there were no audit findings and that the audit was completed within the planned timeframe. He thanked Miss Munson for being well-prepared, very professional, and very responsive as usual which made the auditors' job a lot easier. He reported that a clean opinion is being issued for financial statements and that there are no audit adjustments or control deficiencies. He explained that the financial statements are as of March 31, 2021 and that the income statement represents a 3-month period, however the balance sheet includes all the assets and the liabilities of the System. He pointed out that the disclosures and the notes for the balance sheet are all as of the March 31, 2021 date, however some of the other items such as any of the disclosures related to actuarial valuations would still be as of December 31, 2020 valuation date. He explained that these do not affect the numbers and the financial statements. He stated that the big highlight on March 31, 2021 is that the value of the investments increased from December 31, 2020. He explained that the table on page 3 shows a summary of both the balance sheet and income statement and that the total assets of the System has risen from \$550.7M as of December 31, 2020 to \$576.8M as of March 31, 2021 which is a function of net investment income that occurred during that quarter.

Trustee Miriani asked if there is any current employee still contributing (regarding the sentence "The employee reserve is credited as employee contributions are received" on page 10).

Miss Munson responded that the current employees are not required to contribute and that employees have not contributed to the system since 1993 when the hospital privatized.

Trustee Miriani asked if the reserve account would be the accumulation of the totals which would go down every year because pension income amount is reduced by a small contribution amount.

Miss Munson responded that employee reserve will constantly stagnate because there are only a couple who retired with contributions, but they earned 4% on those contributions, so there will not be a big variation in employee balance. She explained that once a member retires, the contribution balance is moved from the employee reserve to the retiree reserve, so employee contributions for retirees are then included in the retiree reserve balance.

Trustee Miriani asked a question on page 11 if the Healthy Retirees mortality tables are for retirees who are not disabled.

Miss Munson responded that those tables are used for anyone who did not retire on a disability retirement.

Trustee Miriani asked why certain investments on page 14 do not have a rating even though they are significant such as Municipal/provincial bonds with over \$13M which shows unrated.

Miss Munson responded that the System only uses Moody's ratings for audit purposes but that the bonds are rated by other ratings firms.

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

Trustee Miriani asked if \$400 temporary benefits have been updated for the upcoming period because the healthcare benefit will not be ready by August 31, 2021.

Miss Munson responded that the financial statements are as of March 31, 2021, so that was not disclosed because it was scheduled to expire in August 2021 at the time the statements were prepared.

Trustee Miriani stated that his understanding was that the Council approved a resolution that the temporary benefit continues through August 2021 or until VEBA starts. He asked for clarification if it is ending in August 2021.

Trustee Patrice Waterman stated that at the Council meeting last night a resolution was passed to extend the \$400 temporary benefit until December 2021.

Trustee Carrington clarified that the resolution was to request an actuarial report which needs to come first before the extension can be adopted.

Miss Munson explained that each year the City is required to get an actuarial report to determine the cost of continuing the \$400 and that the report must be presented to this Board and the City Council 7 days prior to implementation, which is required by PA 314. She stated that there is a resolution under New Business to approve sending the request to the actuary. Once the report is received, the administration will come back to the Council and request an extension of the \$400 through December 2021. She stated that the actuary is prioritizing this report, however a specific completion date has not been provided.

Trustee Moore requested that Miss Munson get an update on the completion date from the actuary. He asked Mr. Kowalski how the earnings of the System compared with other systems.

Mr. Kowalski responded that the System tends to trend with most other systems that have a similar investment strategy and that the System's investment strategy is similar in nature to other systems. He said that the systems tend to go up together and down together even though the amount may be different. Although he has not audited other systems with the same 3-month period, he expects that other systems' first quarter was good as well.

Chairman Albritton asked Mr. Lee and Mr. Roth to elaborate more on how well the System has been doing.

Mr. Lee explained that looking at the universe of other comparable public funds, the asset allocation at the end of the first quarter tends to get a little more conservative compared to some of the more aggressive plans in the universe. He stated that it is still ranked in the top decile of the comparable funds which is similar to what it has been over the longer periods where it has been top quartile if not top decile.

Trustee Moore gave recognition to Miss Munson for doing a great job representing the System.

Chairman Albritton thanked Miss Munson and the rest of the staff as well as the Board, managers, consultants, and attorney for their dedication to assure that the System stays in the top.

AGENDA CHANGES

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

Trustee Swazer requested to remove an item under New Business to approve Jane Arndt for temporary assistance and add a resolution to authorize Chairman's approval to hire Daniel Rempinski as the Finance Officer.

Trustee Moore asked when this person will start.

Miss Munson responded that Mr. Rempinski has not yet accepted the offer and is expected to have his answer by tomorrow. The Board is being asked to approve his compensation package at this meeting.

Miss Munson requested to amend Consent Agenda to add Mr. William Kruger's estimated monthly benefit amount of \$450. She also requested that New Business be amended to add a resolution related to the issuance of a credit card under the name and federal ID of the Reestablished GERS.

Ms. Billings-Dunn stated that the resolution for the credit card signature authorization should be approved by the Reestablished GERS Board.

RESOLUTION 21-069 By Miriani, Supported by P. Waterman

Resolved, That the Board approves to remove the item for Jane Arndt's temporary assistance under New Business, add an item under New Business to hire Daniel Rempinski as the Finance Officer, and amend Consent Agenda to add Mr. William Kruger's estimated monthly benefit amount of \$450.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

CONSENT AGENDA

A. Approval of the Minutes of the Special Board Meeting held on June 23, 2021.

B. Ratification of Retiree Payroll & Staff Payroll

Retiree Pay Date June 30, 2021	\$1,951,941.52
Retiree Pay Date July 28, 2021	
Staff Pay Dates July 1, 15 & 30, 2021	\$32,564.36

C. Communications

- FOIA Request from FundMap: July 14, 2021
- FOIA Request from Cziryak: July 14, 2021
- Correspondence from TerraCap RE: Performance Numbers
- Correspondence from UBS RE: Asset Management Team Changes

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

- IFEBP CAPP: October 16 – 17, 2021 (Denver, CO)
- IFEBP F.A.L.L. Conference: September 26 – 28, 2021 (Scottsdale, AZ)
- ValueEdge Public Funds Forum: October 26 – 28, 2021 (San Diego, CA)

D. Financial Reports

- Accounts Payable: July 2021
- Dahab Associates Preliminary Report & Asset Level: June 2021
- Attucks Manager-of-Managers Summary: June 2021
- Statement of Changes: June 2021

E. Private Equity Capital Calls & Distributions

F. Retirement Benefits

1. New Retirements

RETNO	NAME	Effective Date	Amount
2917	Kruger, William	07/01/2021	

Bold type entry indicates Reciprocal service credit.

2. Terminated Retirements

RETNO	NAME	Date of Death	Benefit Amount
1597	Holland-Minton	06/21/2021	
1152	Hollis, John	06/24/2021	
1214	McCall, Elnora	06/20/2021	
1580	Wilson, Ruth	06/26/2021	

3. J&S Continued Retirements

RETNO	Retiree's Name	Survivor's Name	Date of Death	Amount
2412	Marshall, Larry	Marshall, Anita	07/03/2021	
1260	Tipton, Robert	Tipton, Rose	07/06/2021	

4. Re-calculated Retirements

RETNO	Member's Name	Reason for Change	Effective Date	New Amount
2921	Russell, Mary	Changed Option	07/01/2021	

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

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	Member's Name	Reason
-------	---------------	--------

6. Refunds of Employee Contributions

RETNO	Member's Name	Reason	Amount
-------	---------------	--------	--------

RESOLUTION 21-070 By Moore, Supported by Miriani

Resolved, That the Board approves and ratifies actions described in the Consent Agenda for July 28, 2021 as amended.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

CONSULTANTS

RE: Private Equity Term Summary

Mr. Roth explained that this report is in response to Trustee Moore's request for an update on the private equity investments and potential timeframes for when they will end. He reported that Consequent Capital's final liquidation is estimated to be 2023-2024; the Invesco Fund V final distribution should occur in Q3 2021; Mesirow Fund IV should wind down towards the end of 2024 and Mesirow Fund VI in 2028. He explained more details of this report to the Board.

Chairman Albritton stated that most of the managers' fees started high and decreased, however Consequent is almost opposite compared to the others. He asked if there is a reason for that.

Mr. Roth explained that Consequent's fees prior to 2016 are reported quarterly and the last four years are totaled by year which is why they look different from others. He stated that their fees are declining as well.

RE: American Realty Private Placement Memorandum Update

Mr. Roth reported that American Realty has sent a clean-up of the Private Placement Memorandum the System signed and that Dahab has requested clarity from the manager. He stated that there is no action required by the Board for this and that he would like to table this until the next meeting in the hope that there will be more information by then.

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

RE: Periodic Rebalancing

Mr. Roth reported that Dahab is recommending raising \$6M from the Attucks All-Cap portfolio and transferring it to the cash manager. He explained that the System has not taken money from Attucks for about 6 months and that they are over-allocated by about ` \$12M. He reminded the Trustees that Attucks determines from which manager the money will be raised.

RESOLUTION 21-071 By Giddings, Supported by Swazer

Resolved, That the Board approves the Consultant' recommendation to rebalance the portfolio by transferring \$6,000,000.00 from the Attucks All-Cap portfolio to pay for benefits and expenses.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

Performance Report: June 2021

Mr. Roth presented the Pre-liminary Performance Report as of June 30, 2021. He reported that the portfolio was valued at \$593.7M as of July 26, 2021.

REPORTS

Relocation Committee

Miss Munson reported that the Relocation committee did not meet this month, however, there is a revised property comparison report which the committee will be considering next month.

Miss Munson explained that the revision was necessary because the cost per square foot for the current location was erroneously quoted on a monthly basis.

Chairman Albritton explained that the correct amount of the current location is \$18.74 per square foot which is more comparable for the Board to make a decision.

Trustee Moore asked if these properties are the only ones currently under consideration.

Miss Munson responded that those are the only ones that the committee had walkthroughs and that with the corrected pricing as far as the base, the committee can go back to the brokers to have them identify additional spaces for consideration.

Personnel & Administration Committee

Notice to Retirees RE: June 2021 Tax Withholding

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

Miss Munson reported that both the personnel and the finance committees reviewed the notice that was sent to the retirees regarding the tax withholding error that occurred in June. The Personnel committee directed that she put together a report of alternative payroll providers as well as a summary of the cost of processing the payroll for the last 10 years.

Finance Officer Position Update

Miss Munson reported that the interview committee reviewed the compensation package for the new employee and is recommending that the Board approve it. She stated that the package was finalized yesterday.

Trustee Moore asked if there was a reason that was not brought to the committees.

Miss Munson responded that the interview committee met after the personnel committee last week and asked her to put that information together.

Trustee Moore stated that the process should be followed for bringing things to the Board. Generally, information is brought to the committees first to receive input, then it is brought to the full Board for approval. He stated that for this instance, it was not brought to the committees.

Request for Supplement Analysis to Continue \$400 Supplemental Payment

Miss Munson reported that both committees are recommending that the Board would approve the item under New Business to ratify the Chairman's approval to forward the request to the actuary to continue the \$400 temporary supplemental benefit.

GERS Termination Ordinance Amendment RE: \$8M for Opt-Outs

Miss Munson reported that both committees reviewed the proposed GERS Ordinance which would set aside \$8M of the excess assets to pay for the opt-out.

Responses to GRS Questions RE: GERS Termination Valuation

Miss Munson reported that both committees reviewed Trustee Carrington's written responses to the actuary regarding the termination valuation.

Active-Member Trustee Election: Selection of Canvasser

Miss Munson reported that the Personnel committee is recommending that the Board would approve to appoint Trustee Swazer as canvasser of the election which is also an item under New Business.

Annual Meeting Venue Discussion

Miss Munson reported that both committees have directed that Miss Munson and Ms. Kanno to move forward with selecting a date for the annual meeting so an appropriate venue can be booked. She explained that the three places being considered are St. Joseph Hospital Auditorium, the City Council Chambers and the Bowen Center. She stated that an update will be provided as soon as that is available.

Finance Committee

GRS Questions RE: GERS Termination Valuation Request for Direction

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

Miss Munson explained that when the System experienced the partial plan termination, there was 5-year look-back period and everyone who was involuntarily separated from City service became immediately vested in their pension. For the GERS termination, only employees who were members of the System as of March 31, 2021 were immediately vested. The committee asked Ms. Billings-Dunn to review this matter to make sure that the circumstances are different and that there is no required 5-year lookback period for vesting purposes required.

Trustees

Trustee Swazer noted that the agenda indicates this is a "virtual meeting".

Ms. Billing-Dunn responded that there is no authority to continue to hold virtual meetings, however Trustees that have any underlying health concerns may continue to participate remotely until the end of 2021. She stated that she requested that Miss Munson remove "virtual" from the agenda.

Trustee Moore requested Mr. Lee and Mr. Roth give an education about cryptocurrency at some point in the future. He stated that cryptocurrency is not going away and he would like the Board to be educated to see if it is something the System would consider in the future or completely rule out.

Trustee Patrice Waterman asked whether the Marriot is being considered for meeting space. She expressed her concerns about the new variant of the virus and the meeting room at Retirement Office being too small for everyone fit while maintaining social distance. She requested that the Board provide direction to Miss Munson to investigate alternative meeting venues.

Chairman Albritton requested that Miss Munson investigate alternative meeting venues as well as the costs associated with them.

Trustee Deirdre Waterman reported the Council approved a resolution yesterday to have actuarial report done. She explained that the resolutions prepared by Samantha Kopacz regarding how the opt-out situation is going to be handled were not reviewed at the Council meeting. She stated that she hopes the Council would move that up because it affects the timing. She also stated that she is sending out the letter to the eligible retirees explaining the process to set up for the opt-out payment. She also stated that the actuarial report for the temporary enhanced pension benefit to continue until healthcare coverage is restored for the retirees.

Trustee Swazer asked if it is true that the retiree healthcare is not going to be restored until approximately January 1, 2022.

Trustee Deirdre Waterman responded that that is not the timeline that Matt Henzi has been working on with the VEBA Board. She stated that it depends on the collaboration of the various bodies and - if there is any delay on one of the bodies' tasks - that could affect the date. She also explained that one of the things required for VEBA to shop out the insurance was a census of retirees which was given to VEBA on July 1, 2021 and that the VEBA Board needed to have Benesys shop the insurance plan with insurance brokers. She added that the only thing that is a hold-up is that the Police & Fire VEBA is still awaiting IRS approval for issuing the tax-free benefits to the members which Mr. Henzi is working.

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

GERS Transition Update Reports

GRS Questions to City RE: Termination Valuation Request for Direction Written Responses

Miss Munson reported that the written responses were sent to the actuary and that termination valuation is in process.

GERS Termination Ordinance Amendment RE: \$8M for Opt-Outs

This is for Trustees' information.

Chairman

Chairman Albritton thanked everyone for their hard work during this difficult process and reiterated that everyone does what is best for them and their health. He stated that other potential meeting locations will be investigated where distance can be maintained to keep everyone safe.

EXECUTIVE DIRECTOR REPORT

Consequent Capital Audited Financial Statements for 2020

Miss Munson reported that the audited financial statements for 2020 were received from Consequent Capital on July 7, 2021.

March 31, 2021 Audited Financial Statements

Miss Munson reported that the draft audited financial statements presented this morning were sent to the actuary on July 21, 2021.

Summary Annual Report

Miss Munson reported that Summary Annual Reports were mailed on July 21, 2021.

Notice to Retirees RE: June Federal Income Tax Withholding

This is for Trustees' information.

Temporary Assistance Final Report

This is for Trustees' information.

Disability Annual Procedures Report

This is for Trustees' information.

Asset Transition Update – NONE

Payroll Provider RFP

Miss Munson reported that both committees are considering an RFP to search for another payroll processing service provider. She explained that when the IRS redesigned the W-4 in 2020, ADP redesigned their interface solely for the W-4. She said that staff no longer has the capability of entering W-4P changes and that those changes must be sent to ADP every month who makes the changes on the mainframe. She

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

said that ADP has advised that they are not going to change their interface until the IRS revises the 2021 W-4P but that there is no guarantee at this point that the new W-4P will conform to the new W-4. She stated that it is timely with respect to the issuance of the RFP to search for an alternative provider.

UNFINISHED BUSINESS

RE: Resolution to Schedule Annual Meeting Date

Miss Munson requested to table this matter. She stated that as soon as the venue is secured the information will be forwarded to the Trustees before the next meeting.

RESOLUTION 21-072 By Moore, Supported by Swazer

Resolved, That scheduling the Annual Meeting Date is tabled until the next meeting.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

NEW BUSINESS

RE: Resolution to Approve Request for Supplemental Actuarial Analysis

Miss Munson reported that this item was forwarded to the actuary last week.

Trustee Deirdre Waterman asked for the timeline when the actuary will have this report completed.

Miss Munson responded that she would follow up with the actuary after the meeting.

RESOLUTION 21-073 By Swazer, Supported by Moore

Resolved, That the Board ratifies the Chairman's direction to forward to the actuary the request for a supplemental actuarial analysis to determine the cost to continue the \$400 supplemental benefit payment through December 2021.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

RE: Resolution to Appoint Election Canvasser

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

RESOLUTION 21-074 By P. Waterman, Supported by Moore

Resolved, That the Board approves the Personnel & Administration committee's recommendation to appoint Trustee Billie Swazer as Canvasser of the August 23, 2021 Active Member-Trustee election.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

RE: Resolution to Authorize Chairman's Approval of Hiring Daniel Rempinski as Finance Officer

Miss Munson reported that the compensation package should be approved before voting for hiring Mr. Rempinski.

Trustee Moore asked if there is a formal report that was submitted to the Board that would include all the process and information related to Mr. Rempinski.

Miss Munson stated that the interview committee selected the candidate and put together a compensation package and the offer was made to the candidate. She explained that there is no report at this time but she can put one together for the Board.

Trustee Moore asked about the process that the Board is being asked to formally approve this without information or documentation which is not the way to conduct a business. He proposed for the future that - if Board's approval is being requested - that the Board be provided with sufficient information to make a decision.

Trustee Patrice Waterman asked if this matter went to the committee and the committee is making a recommendation to the Board to approve. If that is the case, the information should have been included in the agenda packet for Trustees to review. She stated that it is not that the committee did something wrong and that it was a miscommunication.

Trustee Deirdre Waterman asked if the package presented is the negotiated package or it was what was offered previously approved by the Board or the personnel committee.

Miss Munson explained that there is a standard compensation package which includes medical, life, dental, optical and disability and that what the committee determined was the base salary, the 457 match and the number of days of PTO.

Trustee Moore stated that this matter did not come before either the personnel committee or the finance committee. He suggested to follow the procedure to move things to the Board moving forward.

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

Chairman Albritton stated that the interview committee was established to look at potential candidate for the Finance Officer position and has brought the recommendation to the Board and that the Board has the full opportunity to make a decision on this candidate.

Trustee Moore stated that the written information was not presented to the committees in this instance, and this is brought to the full Board without any documentation. He said that the information should have been presented to the Board in order to make a decision. He asked that procedure be followed going forward.

Chairman Albritton requested that Miss Munson send the package that the committee agreed on along with the offer letter and resume to all Trustees now and suggested that the Board vote on it after legal report.

LEGAL REPORT

Amended and Restated Declaration of Trust of Northern Trust Investments Collective Funds Trust

Ms. Billings-Dunn stated that the System has a couple of investments through Northern Trust's index funds that are governed through this collective funds trust. She explained that in reviewing them for the transition process, she noticed that they had amended the trust effective December 2020. The main change was that they added a limitation as to when an investor can make withdrawal. She explained that, in her opinion, this privilege was already in the trust prior to this amendment and that with this amendment, they made it crystal clear. She stated that this is a supplement to her 2018 memo to the Board summarizing that particular document.

The Following Investment Management Documents Have Been Completed for the Transition to the City of Pontiac Reestablished General Employees' Retirement System

- First Eagle
- Xponance
- Kennedy Capital (finalizing agreement with their legal counsel)
- Victory Capital
- WCM
- Principal
- Robinson
- Attucks
- American Realty
- UBS
- Loomis
- Invesco
- Wellington
- TerraCap IV
- TerraCap V
- Northern Trust

The following are under review:

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

- Mesirow
- Intercontinental (US Real Estate Investment Fund)

Once we receive the required transfer documentation from the following managers, we will complete them as soon as possible.

- Sawgrass
- GrayCo / Consequence

Ms. Billings-Dun stated that she has reached out to Sawgrass and Consequence and received an email from Consequence stating they are still putting the transfer documentation together.

Trustee Giddings asked if there are many changes to the body of the document. He stated that it should be just a name change.

Ms. Billings-Dunn responded that each company has a different procedure, and some are requiring to complete the subscription documents again. She explained that she is working on making sure to complete all necessary documents and that the terms are the same. She also explained that the only one that had to be renegotiated was Kennedy Capital because that document was about 20 years old, so they required a new agreement which was approved by the Board in the prior meeting.

Erica Robertson Restitution

Ms. Billings-Dunn reported that she reached out to Clark Hill, and they responded that they are still looking at this. She suggested to request a final payment once the numbers are finalized.

Open Meetings Act / House Bill 4934

Ms. Billings-Dunn reported that this bill is still in the House which has been referred to the committee. She explained that the proposed amendment is to carve out an exception for retirement plans. She stated that she will continue to follow up. She also reported that there is another proposed house bill which the State is looking to set up a separate department to create an auditor to confirm that public employers are contributing the required contributions every year.

Robbins Geller June 2021 Portfolio Monitoring Report

This is for the Trustees' information.

Political Contributions

Ms. Billings-Dunn explained that Public Act 314 prohibits service providers from making certain political contributions to people running for office that have influence on retirement boards. She stated that the law was essentially copied from the rules of the SCC. She explained that the question came up if a service provider contributes someone's campaign for the general election and the primary election, whether those are considered two separate elections or one election for the purposes of service providers contributing to that particular campaign. She stated that while there is no guidance under PA 314, she found a rule the SEC has issued that specifically states they are considered two separate elections, so service providers can contribute up to the max for both of primary and general elections.

Vesting Former Members

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

Ms. Billings-Dunn explained that when there is a partial termination, the event when there was a reduction in the workforce of 20% is looked at. She stated that it appears at least with Police & Fire their layoffs occurred over a number of years, which required vesting of all affected employees laid off during those years. She pointed out that the current situation is a full termination, not a partial termination. She stated that with respect to a full termination all active employees as of the termination date March 31, 2021 should be 100% vested in their benefit. She also stated that it would appear to be reasonable to find that any non-vested employees whose employment terminated prior to the termination date of the plan are not required to be vested unless their employment termination was linked to the plan termination. She believes that the difference is that the other was a partial termination and the layoffs occurred over a number of years, and this is a full termination. Her opinion is that affected employees are active employees as of the termination date March 31, 2021 unless somehow their termination was related to the plan termination.

The Board reserves the right to enter closed session to review matters in accordance with Michigan Public Act 267 of 1976 (Open Meetings Act).

RE: Resolution to Go into Closed Session

RESOLUTION 21-075 By Giddings, Supported by Swazer

Resolved, That the Board approves to go into Closed Session to discuss Onyx, Adobe, Cisco Systems, Grubhub, Intuit, McDermott, Reckitt Benckiser and Venator security litigation matters.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	D. Waterman – Yes
Miriani – Yes	P. Waterman – Yes

The Board went into closed session at 11:54 a.m.

The Board returned from closed session at 12:19 p.m.

RE: Resolution to Hire the Laddin Firm

RESOLUTION 21-076 By Swazer, Supported by Moore

Resolved, That the Board approves to hire the Laddin Firm for up to 10 hours of legal work.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	P. Waterman – Yes
Miriani – Yes	

RE: Resolution to Dismiss Danaher Pursuing to Recommendation of Legal Counsel

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

RESOLUTION 21-077 By Swazer, Supported by Albritton

Resolved, That the Board approves to dismiss Danaher pursuant to recommendation of legal counsel.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	P. Waterman – Yes
Miriani – Yes	

RE: Resolution to Approve Closed Session Minutes: June 23, 2021

RESOLUTION 21-078 By Swazer, Supported by Moore

Resolved, That the Board approves the closed session minutes of June 23, 2021.

ROLL CALL:

Albritton – Yes	Moore – Yes
Carrington – Yes	Swazer – Yes
Giddings – Yes	P. Waterman – Yes
Miriani – Yes	

RE: Resolution to Authorize Chairman's Approval of Hiring Daniel Rempinski as Finance Officer - Continued

Trustee Moore asked if all the employees are getting the 3% match for 457.

Miss Munson responded that currently no one has a match.

Trustee Moore asked why a match is given to this candidate and no one else has a match.

Trustee Swazer stated that the only person who does not have a match is Ms. Kanno who was hired without a match and that her evaluation is up for a review.

Trustee Moore stated that if a match is given to one employee, it should be given to all other employees.

Chairman Albritton suggested to refer the 3% match to the personnel committee for other employees.

RESOLUTION 21-079 By Gidding, Supported by P. Waterman

Resolved, That the Board authorizes the Chairman to approve hiring Daniel Rempinski as Finance Officer.

ROLL CALL:

Albritton – Yes	Moore – Yes
-----------------	-------------

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

Carrington – Yes Swazer – Yes
Giddings – Yes P. Waterman – Yes
Miriani – Yes

SCHEDULING OF NEXT MEETING/ADJOURNMENT

Regular Meeting: Wednesday, August 25, 2021 9:00 a.m.

RESOLUTION 21-080 By Swazer, Supported by P. Waterman

Resolved, That the meeting of the Board of Trustees of the Pontiac General Employees' Retirement System be adjourned at 12:27 a.m.

ROLL CALL:

Albritton – Yes Moore – Yes
Carrington – Yes Swazer – Yes
Giddings – Yes P. Waterman – Yes
Miriani – Yes

I certify that the forgoing are the true and correct minutes of the meeting of the General Employees' Retirement System held on July 28, 2021.

As recorded by Mizuki Kanno, reviewed and edited by Legal Counsel and the Executive Director