

**CITY OF PONTIAC
POLICE AND FIRE RETIREMENT SYSTEM
BOARD OF TRUSTEES
MEETING MINUTES
September 13, 2024**

A meeting of the Board of Trustees was held on Friday, September 13, 2024, at 9:30 a.m. at St. John Resort.

Trustees Present

Craig Storum, Chairman
Lon Britton Vice-Chairman
Tim Greimel, City of Pontiac Mayor (via phone)

Others Present

Matt Henzi, AsherKelly
Chris Kuhn, AndCo.
Violet Gjorgjevski, BeneSys, Inc.
Jennifer Crosby, BeneSys, Inc.

Trustee Absent

Matt Nye, Trustee

Chairman Storum declared that a quorum was present and called the meeting to order at 9:32 a.m.

CONSULTANTS

Mariner

Mr. Kuhn led a discussion regarding the Manager Round Table that took place on September 12, 2024. Suggested improvements for next year were given.

Mr. Kuhn went on to review that Asset/Liability Modeling Study that was completed by Mariner. The purpose of the Study was to review the current target asset allocation of the Plan and its impact on the projected funded levels and cash contribution requirements. It was found that the current asset allocation target can be improved by moving closer to efficient frontier. There are some asset mixes that can provide lower “risk” for the same “return” or higher “return” for the same “risk”. Increasing Equity exposure increases the variability of future outcomes. This increases the upside potential of Plan’s funded levels, but also increases the downside risk of Plan’s funding. Increasing Bond exposure decreases the variability of future outcomes. This decreases the upside potential of Plan’s funded levels, but also decreases the downside risk of Plan’s funding. Increasing Alternatives exposure can result in more “efficient” portfolios. Some asset mixes with extra alternatives can provide lower “risk” for the same “return” or higher “return” for the same “risk”. Mr. Kuhn stated that it is Mariner’s recommendation to slightly increase allocation to Alternatives and Stocks with a moderate decrease of allocation to Bonds. The current return assumption of 7.25% is still within the reasonable range of projected returns. He discussed that while they believe the current assumption is reasonable, they will also support decreasing the return assumption if the Board elects to do so. Next steps were discussed.

Next Mr. Kuhn an international equity search manager analysis for the Board to consider as replacement of Burgundy Asset Management.

RESOLUTION 24-35 By Britton, supported by Storum

Further Resolved, per recommendation of the Investment Consultant to equally allocate 50% of the \$7M mandate for international equity, presently held in the Fidelity International Equity Index Fund and previously held in the Burgundy Asset Management Fund, between Fidelity International Equity Index Fund and the Trinity International Equity Fund, subject to legal review of the applicable contract documents.

Yea – 3 Nay – 0

NEXT MEETING DATE: December 5, 2024, 9:00 a.m.

ADJOURNMENT

RESOLUTION 24-36 By Britton, supported by Mayor Greimel

Further Resolved, that the meeting be adjourned at 10:56 a.m.

Yea – 3 Nay – 0

I certify that the foregoing are the true and correct minutes of the meeting of the Police and Fire Retirement System held on September 13, 2024.

As recorded by BeneSys