

**CITY OF PONTIAC  
POLICE AND FIRE RETIREMENT SYSTEM  
BOARD OF TRUSTEES MEETING MINUTES  
February 27, 2020**

A regular meeting of the Board of Trustees was held on Thursday, February 27, 2019 at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

**Trustees Present**

Lon Britton (via phone)  
Craig Storum, Chairman (via phone)  
Matt Nye  
Deirdre Waterman, Mayor (via phone)

**Others Present**

Matt Henzi, AsherKelly  
Chris Kuhn, AndCo.  
Duane Menter, BeneSys, Inc.  
Violet Gjorgjevski, BeneSys, Inc.  
Dean Carlson, BeneSys, Inc.  
Jennifer Crosby, BeneSys, Inc.

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*Chairman Storum declared that a quorum was present and called the meeting to order at 10:29 a.m.*

**AGENDA CHANGES**

**CONSENT AGENDA**

- A. Minutes of Regular Meeting – December 05, 2019
- B. Financial Reports
  - 1. Financial Reports – October - December 2019
  - 2. Bills for Ratification through February 25, 2020
- C. Pension Report
  - 1. New Retirees
    - a. Main, Daniel, PPOA 01/01/2020
    - b. Martindale, Thomas, PPOA 02/01/2020
    - c. Wittebort, Steven, PPOA 02/01/2020
    - d. Paramo, Michael, PPOA 03/01/2020
  - 2. Upcoming Retirees:
    - a. Collier, Anthony, PFFU 01/01/2020
    - b. Bell, Shedrick, PPOA 03/01/2020
    - c. Collis, Nancy, PPOA 04/01/2020
    - d. Green, Dwight, PPOA 04/01/2020
    - e. Mcallister, Darrin, PPOA 04/01/2020
  - 3. New Beneficiaries

**RESOLUTION 20-01** By Mayor Waterman, Supported by Storum  
Resolved, That the items on the Consent Agenda for February 27, 2020, be approved.

Yeas: 4 - Nays: 0

**CONSULTANTS**

A. AndCo.

Christopher Kuhn of AndCo. provided a Market Update as of December 31, 2019. He discussed that the

dual inspiration of a possible resolution to the trade war and stimulus from central banks drove the equity markets into full rally mode during the fourth quarter. The encouraging tone on US-China trade negotiations boosted the prospects of stronger global economic growth across the developed and emerging markets. Equities were further aided by a rate cut from the US Federal Reserve and continued stimulus from other major central banks. Domestically, small caps and growth led the way this quarter, as is often the case during strong “risk on” periods. The S&P 500 returned 9.1% during the quarter, lagging the Russell 2000’s 9.9% gain (Russell 2000 Growth returned 11.4%). International markets benefited from a declining dollar with the Emerging Markets generating the biggest gains; the MSCI EAFE index rose 8.2% and the MSCI EM Index posted an 11.8%. After three quarters of strong performance to start 2019, the fixed income markets took a breather this quarter. Interest rates trended modestly higher as additional rate cuts were not anticipated. The BB US Aggregate Index returned 0.2% for the quarter; treasuries were the weakest segment (-0.8%) and investment grade corporates the strongest (1.2%). 2019 was a great year for investors – fixed income was up over 8% and equities return 20 – 30%.

Mr. Kuhn continued and discussed the Asset/Manager Summary as of February 27, 2020. The 7.5% allocation to Alternatives was reallocated to LSIA (2.5%), Tortoise Core FI (2.0%) and Cash (2.0%). This was done to account for the redemption from Pluscios. Mr. Kuhn advised that he does not have any recommendations at this time.

Mr. Kuhn also gave a presentation regarding Opportunistic Credit for the Board.

## REPORTS

- A. Chairman
- B. Secretary
- C. Trustees Committees
- D. Legal, Attorney’s Report, AsherKelly, Matthew Henzi
- E. Members / Retirees

## ATTORNEY’S REPORT

### FOIA Requests and Responses

*FOIA from Financial News*

*FOIA from Institutional Shareholder Services, Inc.*

Attorney Henzi addressed this issue for the Board in the Attorney Report.

### Correspondence with City regarding FOIA for Sick Payouts

Attorney Henzi addressed this issue for the Board in the Attorney Report.

### Mickens Request for Benefit Recalculation

Attorney Henzi addressed this issue for the Board in the Attorney Report. There was considerable discussion about sick pay and calculation of FAC. Trustee Britton, legal, and Ann Schreier of Benesys will meet to discuss further and to bring back additional information to the next meeting.

### Hawkins EDRO

Attorney Henzi addressed this issue for the Board in the Attorney Report.

**RESOLUTION 20-02** By Mayor Waterman, Supported by Storum  
Resolved, That the Hawkins EDRO matter be further reviewed, more information obtained and brought back to next meeting for further review..

Yeas: 4 - Nays: 0

Soucie Power of Attorney

Attorney Henzi addressed this issue for the Board in the Attorney Report.

Wilton – Correspondence to City Requesting Records

Attorney Henzi addressed this issue for the Board in the Attorney Report.

Gilbert Garrett Retirement Benefit

Attorney Henzi addressed this issue for the Board in the Attorney Report. The Trustees certified that Mr. Garrett has 11 years of service credit.

Robinson Capital Cash Management Contract

Attorney Henzi addressed this issue for the Board in the Attorney Report.

**RESOLUTION 20-03** By Mayor Waterman, Supported by Britton Resolved, That the Robinson Capital Investment Advisory Agreement be accepted and signed, pending review by legal counsel..

Yeas: 4 - Nays: 0

Vital Information Form Letter

Attorney Henzi addressed this issue for the Board in the Attorney Report.

Portfolio Monitoring Retainer Agreement – Robbins Geller

Attorney Henzi addressed this issue for the Board in the Attorney Report.

**RESOLUTION 20-04** By Mayor Waterman, Supported by Britton Resolved, That the Robbins Geller Engagement Agreement for Portfolio Monitory be approved and signed.

Yeas: 4 - Nays: 0

Proposal from Portfolio Monitoring Firm Bleichmar Fonti & Auld, LLP

Attorney Henzi addressed this issue for the Board in the Attorney Report.

Collier Request to Designate Non-Spouse as Beneficiary

Attorney Henzi addressed this issue for the Board in the Attorney Report. Legal will send correspondence requesting that Mr. Collier revise his retirement application.

Minard Response to Request regarding VEBA Eligibility

Attorney Henzi addressed this issue for the Board in the Attorney Report.

Portfolio Monitory Report

*Motley Rice 4<sup>th</sup> Quarter 2019*

*Robbins Geller November 29, 2019*

*Robbins Geller December 27, 2019*

*Robbins Geller January 31, 2020*

Attorney Henzi addressed this issue for the Board in the Attorney Report.

Milliman 2019 Public Pension Funding Study

Attorney Henzi addressed this issue for the Board in the Attorney Report.

**UNFINISHED BUSINESS**

A. Audit

- a. December 31, 2018 Financial Statements - Final
- b. December 31, 2018 End of Audit Letter - Final
- c. Vital Form Cover Letter - Draft

B. Vital Form Cover Letter - Draft

Legal provided a draft of the Vital Form Cover Letter, the form is to collect the most current demographic information.

**NEW BUSINESS**

**CORRESPONDENCE**

A. Halliburton Company Securities Litigation

Proceeds received as a result of a claim filed by BNY Mellon in Reference to Halliburton Company (EPJ FUND) Securities Litigation.

B. Graham Allen of Tortoise Retirement Announcement

BeneSys provided email communication from Tortoise that Mr. Graham Allen is has retired effective 01-31-2020.

**NEXT MEETING DATE:** May 28, 2020 at 10:00 a.m.

**ADJOURNMENT**

**RESOLUTION 20-06** by Mayor Waterman, Supported by Storum  
Further Resolved, That the meeting be adjourned at 12:14 p.m.

Yeas: 4 – Nays: 0

I certify that the foregoing are the true and correct minutes of the meeting of the Police and Fire Retirement System held on February 27, 2020.

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*As recorded by BeneSys*

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