



**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, June 5, 2020 at 8:00 a.m.

The meeting was called to order at 8:07 a.m.

**Attendance**

PRESENT: Lee Collick- Chairperson  
Bret Nelson- Vice Chairperson  
Kyle DuBuc – Trustee  
Paul Brake – City Manager  
Kim Gibbs - Trustee

ALSO PRESENT: Julie Rudd - Bd Chief Administrative Officer/ Bd Secretary/Bd Treasurer  
Lisa Genord - Administrative Assistant / Pension Technician  
Tom Michaud – Bd attorney with VanOverbeke Michaud and Timmony  
Terry Gerlich – Investment Advisor with SEI

**Public Comment**

Members of the public were able to participate in the meeting electronically by providing public comment on any city-related matter, whether on the agenda or not, by leaving a recorded comment at 248-246-3411 between the hours of 7:00 and 8:00p.m. on Thursday, June 4, 2020. Recorded comments are to be played for the retirement board during the public comment portion of the agenda. There were no public comments.

**Board approval of the agenda for the June 5, 2020 meeting**

*Moved by Bret Nelson to approve the meeting agenda for June 5, 2020*

*Supported by Kyle DuBuc*

**MOTION ADOPTED UNANIMOUSLY 5/0**

**Board approval of the draft minutes for the May 8, 2020 meeting**

*Moved by Lee Collick to approve the draft minutes for May 8, 2020*

*Supported by Bret Nelson*

**MOTION ADOPTED UNANIMOUSLY 5/0**

Tom Michaud, retirement board attorney with VanOverbeke, Michaud, and Timmony requested that Lee Collick, Chairperson, allow him to discuss agenda items 6 & 7 at this time, due to his need to leave the meeting early. Lee Collick granted Mr. Michaud’s request.

Tom Michaud left the meeting at 8:15am

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

**Adjustments**

None

## **Applications**

Craig T. Strauss, of the fire department, fire local 431 bargaining unit, 25 years and 7 months (purchased 3 years) of service credit. Requested to rescind his retirement application with a retirement date of June 18, 2020 as approved by the Fire Chief.

*Moved by Lee Collick to approve the rescinded the retirement application for Craig T. Strauss.*

*Supported by Bret Nelson*

*MOTION APPROVED UNANIMOUSLY 5/0*

Kevin Sutton, of the fire department, fire local 431 bargaining unit, 28 years and 10 months of service credit. Requested retirement date of June 17, 2020. Eligible based on years of service/age. Kevin Sutton requested an estimated pension payment in accordance to 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.

*Moved by Lee Collick to approve the retirement application and estimated pension payment for Kevin Sutton.*

*Supported by Bret Nelson*

*MOTION APPROVED UNANIMOUSLY 5/0*

James Stehlin, of the police department, ROPOA bargaining unit, 31 years and 10 months (purchased 4.5 months of contract time) of service credit. Requested retirement date of June 25, 2020. Eligible based on years of service/age. James Stehlin requested an estimated pension payment in accordance to 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.

*Moved by Lee Collick to approve the retirement application and estimated pension payment for James Stehlin*

*Supported by Bret Nelson*

*MOTION APPROVED UNANIMOUSLY 5/0*

Christopher Lippo, of the fire department, fire local 431 bargaining unit, 25 years and 1 month (purchased 5 years of ordinance time) of service credit. Requested retirement date of June 28, 2020. Eligible based on years of service/age.

*Moved by Lee Collick to approve the retirement application for Christopher Lippo.*

*Supported by Bret Nelson*

*MOTION APPROVED UNANIMOUSLY 5/0*

Andrew R. Blevins, of the fire department, fire local 431 bargaining unit, 29 years of service credit. Requested retirement date of June 30, 2020. Eligible based on years of service/age.

*Moved by Lee Collick to approve the retirement application for Andrew R. Blevins.*

*Supported by Bret Nelson*

*MOTION APPROVED UNANIMOUSLY 5/0*

## **Retirement Benefits**

None

## **INVESTMENTS**

SEI investment report dated May 31, 2020 presented by Terry Gerlich

Market value/allocation of assets as of May 31, 2020 equaled \$146,260,704.

One-month performance (except core property) – total portfolio outperformed benchmark: 4.11% return vs. 3.38% index.

Three-month performance – total portfolio underperformed the benchmark: -0.62% return vs. 0.42% index.

YTD performance - total portfolio underperformed the benchmark: -5.30% return vs. -4.54% index

One-year performance – total portfolio underperformed the benchmark: 4.85% return vs. 5.92% index.

Three-year performance – total portfolio underperformed the benchmark: 5.17% return vs. 5.29% index.

Five-year performance – total portfolio outperformed the benchmark: 5.14% return vs. 5.13% index.

Inception - total portfolio outperformed the benchmark: 5.37% return vs. 5.25% index.

Terry reported that May was a good month and that there are encouraging signs in the market, however, the city's portfolio is still working its way back to where it was prior to the COVID-19 pandemic. Terry reported that fiscal stimulus has helped tremendously through the CARES Act and with unemployment, and that the portfolio is rebounding in areas that were hit the hardest in the first quarter of this year. Terry stated that he is cautiously optimistic due to the favorable market performance in May.

*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*

SEI May 2020 Newsletter – The Shape of the Recovery

*Moved by Lee Collick to receive and file.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

## **LEGAL**

Robbins Geller Rudman & Dowd Portfolio Monitoring Report dated April 24, 2020

*Moved by Lee Collick to receive and file*

*Supported by Paul Brake*

*MOTION ADOPTED UNANIMOUSLY 5/0*

Robbins Geller Rudman & Dowd International Portfolio Monitoring Report dated April 24, 2020

*Moved by Lee Collick to receive and file*

*Supported by Paul Brake*

*MOTION ADOPTED UNANIMOUSLY 5/0*

Robbins Geller Rudman & Dowd Portfolio Settlement Report dated April 24, 2020

*Moved by Lee Collick to receive and file*

*Supported by Paul Brake*

*MOTION ADOPTED UNANIMOUSLY 5/0*

Robbins Geller Rudman & Dowd Q1 Repose Report

*Moved by Lee Collick to receive and file*

*Supported by Paul Brake*

*MOTION ADOPTED UNANIMOUSLY 5/0*

Tom Michaud of VanOverbeke, Michaud and Timmony, P.C. briefly reviewed the memo regarding Electronic Signatures – Executive Order 2020-74, stating that the memo is primarily informational and that most individuals are familiar with how to sign documents electronically.

VanOverbeke, Michaud & Timmony, P.C. Memo re: Electronic Signatures – Executive Order 2020-74, dated May 7, 2020

*Moved by Lee Collick to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

Tom Michaud of VanOverbeke, Michaud and Timmony, P.C. briefly reviewed the memo regarding the CARES Act Update and stated that legislation has built in flexibility allowing people to take distributions without penalty and he wanted to ensure that the board was informed of this update to the CARES Act. VanOverbeke, Michaud & Timmony, P.C. Memo re: CARES Act Update, dated May 20, 2020

*Moved by Lee Collick to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

**OTHER BUSINESS**

Tom Michaud of VanOverbeke, Michaud and Timmony, P.C. briefly discussed the memo from Royal Oak Police Chief re: anonymous donation to pension fund. The anonymous donor donated \$400,000 in honor of the police department and the proceeds are to be contributed to the City of Royal Oak Retirement System. An additional \$400,000 in pension contributions will be contributed by the Public Safety fund/police cost center to the Retirement (pension) fund in fiscal year 2019/20. Tom stated that this donation will be very helpful for the retirement system in the future. Lee Collick, on behalf of the retirement board, thanked the anonymous donor. Paul Brake asked Tom if he had any additional information regarding the origin of the donation, and Mr. Michaud indicated that the donor wished to remain anonymous, and therefore he did not have any additional information that he would share with the board.

**NEXT MEETING AND ADJOURNMENT**

Next regular meeting is scheduled for 8:00 am Friday, July 10, 2020 at city hall room 309.

*Moved by Lee Collick to adjourn the meeting (8:27 a.m.) and confirmed the meeting for July 10, 2020 at 8:00 am.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

DRAFT