



**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 in the city call conference room 309, Royal Oak MI, Tuesday - June 4, 2019 at 8:00 a.m.

The meeting was called to order at 8:07 am

Attendance

PRESENT: Lee Collick- Chairperson
Bret Nelson- Vice Chairperson
Kim Gibbs- Trustee
Don Johnson – Trustee

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

ABSENT: Kyle DuBuc -Trustee

Public Comment- none

Board approval of the draft minutes for May 6, 2019 meeting
Moved by Bret Nelson to approve the May 6, 2019 meeting minutes
Supported by Kim Gibbs
MOTION ADOPTED UNANIMOUSLY 4/0

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

Adjustments

None

Applications

Donald Swiatkowski - of the police department, PCOA labor unit, 25 years and 0 months of service credit (purchased 3 years of contract time and 22 days of ordinance time). Service retirement requested. Requested retirement date of June 30, 2019. Eligible based on years of service and age.
Moved by Don Johnson to approve the service retirement application for retirement effective June 30, 2019 for Donald Swiatkowski.
Supported by Bret Nelson
MOTION ADOPTED UNANIMOUSLY 4/0

Retirement Benefits

Daniel E. Phillips -service retirement, fire department, Local 431 labor unit, 26 years and 7 months of service credit. Retirement date of March 16, 2019. Selected Option D - 75% to surviving spouse pension - \$7,052.15 gross monthly benefit with withdrawal of contributions/interest of \$99,223.57.
Moved by Don Johnson to approve the gross monthly benefit payment of \$7,052.15 to Daniel E. Phillips and withdrawal of contributions/interest of \$99,223.57.
Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 4/0

Peter Knappmann- service retirement, SEIU labor unit, 28 years and 7 months of service credit. Retirement date of July 6, 2018. Selected Option A – 100% Life Payments with Full Continuation to Survivor - \$2,945.66 gross monthly benefit with withdrawal of contributions / interest of \$87,672.36. Moved by Don Johnson to approve the gross monthly benefit payment of \$2,945.66 to Peter Knappmann and withdrawal of contributions/interest of \$87,672.36.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 4/0

INVESTMENTS

SEI investment report dated April 30, 2019 presented by Terry Gerlich

Market value/allocation of assets as of April 30, 2019 equaled \$154,935.081

One-month performance (except core property) – total portfolio outperformed the benchmark: 2.19% return vs. 2.16% index.

Three-month performance – total portfolio outperformed the benchmark: 5.25% return vs. 4.88% index.

YTD performance - total portfolio outperformed the benchmark: 11.14% return vs. 10.83% index

One-year performance – total portfolio underperformed the benchmark: 5.16% return vs. 5.41% index.

Three-year performance – total portfolio outperformed the benchmark: 9.51% return vs. 8.94% index.

Inception - total portfolio outperformed the benchmark: 6.38% return vs. 6.02% index.

The global stock-market recovery that defined early 2019 extended into April. Major developed markets – the U.S., U.K., Europe and Japan – climbed steadily throughout the month. Emerging markets also gained. The U.S. economy grew at a 3.2% annualized rate during the first quarter, surpassing the fourth quarter and handily beating expectations, while inflation, as measured by the core personal consumption expenditures price index – continued to edge lower in March, touching 1.6% year over year. U.S.- China trade talks continued through the end of April – topics included foreign access to Chinese markets, subsidies for Chinese companies, enforcement mechanisms, and whether to remove tariffs enacted last year. Intermediate and long-term government bond rates generally increased in the U.S., U.K, and Eurozone, while short-term rates were mixed, resulting in steeper yield curves. SEI has held a positive view of risk assets for most of this long bull market, and we continue to encourage investors to keep a longer-term focus. Until SEI sees a more significant deterioration in the outlook, our default investment stance is to stay the course.

The complete report is on file in finance office.

Moved by Kim Gibbs to receive and file report

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 4/0

SEI Alternatives Investment Program Overview Report presented by Terry Gerlich

Terry explained that the purpose of investing in alternative investment strategies is to attempt to enhance overall portfolio risk-adjusted returns by introducing strategies which offer an additional form of diversification not available in traditional asset classes. SEI's private assets philosophy / goal is to create a self-perpetuating program that generates returns in excess of those available in public markets in exchange for a longer investment horizon and reduced liquidity. The board requested that Terry provide an asset allocation analysis, as well as a summary of the Global Private Assets V upcoming program, at the next meeting.

The complete report is on file in finance office.

Moved by Kim Gibbs to receive and file report

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 4/0

LEGAL

Robbins Geller Rudman & Dowd Portfolio Monitoring Report dated April 26, 2019

Moved by Kim Gibbs to receive and file report

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 4/0

Robbins Geller Rudman & Dowd Settlement Report dated April 26, 2019

Moved by Kim Gibbs to receive and file report
Supported by Bret Nelson
MOTION ADOPTED UNANIMOUSLY 4/0

Robbins Geller Rudman & Dowd International Portfolio Monitoring Report dated April 26, 2019
Moved by Kim Gibbs to receive and file report
Supported by Bret Nelson
MOTION ADOPTED UNANIMOUSLY 4/0

Robbins Gellar Rudman & Dowd Q1 2019 Repose Report dated March 29, 2019
Moved by Kim Gibbs to receive and file report
Supported by Bret Nelson
MOTION ADOPTED UNANIMOUSLY 4/0

OTHER BUSINESS

None

NEXT MEETING AND ADJOURNMENT

Next regular meeting is scheduled for 8:00 am Monday July 1, 2019 at city hall room 309.
Moved by Lee Collick to adjourn the meeting (8:45a.m.) and confirmed the meeting for July 1, 2019 at 8:00 am.
Supported by Kim Gibbs
MOTION ADOPTED UNANIMOUSLY 4/0