



**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, Monday – July 1, 2019 at 8:00 a.m.

The meeting was called to order at 8:02 am

**Attendance**

PRESENT: Lee Collick- Chairperson  
Bret Nelson- Vice Chairperson  
Kim Gibbs- Trustee  
Corey O'Donohue – Police Chief / Assistant City Manager/Acting City Manager

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  
Terry Gerlich – SEI  
Jon Waite - SEI

ABSENT: Kyle DuBuc -Trustee

**Public Comment-** none

**Board approval of the draft minutes for June 4, 2019 meeting**

*Moved by Bret Nelson to approve the June 4, 2019 meeting minutes*

*Moved by Bret Nelson to amend agenda to add Donald Johnson's application to retire.*

*Supported by Kim Gibbs*

**MOTION ADOPTED UNANIMOUSLY 4/0**

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

**Adjustments**

Debra Sue Matyka (n.k.a. Debra Sue Murray) – Eligible Domestic Relations Order

*Moved by Bret Nelson to approve the following resolution*

*Supported by Lee Collick*

**MOTION ADOPTED UNANIMOUSLY 4/0**

Debra Sue Matyka (n.k.a. Debra Sue Murray) – request for EDRO acceptance.

WHEREAS, the Board is in receipt of an Eligible Domestic Relations Order (“EDRO”) dated December 17, 2015, wherein Paul Henry Matyka, the Alternate Payee, is awarded certain rights to the benefits of Debra Sue Murray, the Participant, and

WHEREAS, the Alternate Payee is entitled to claim a portion of the Participant’s retirement benefit from the Retirement System, and

WHEREAS, the payments from the plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System, unless the Alternate Payee elects to receive benefits at any time after the Participant reaches her earliest retirement date, and

WHEREAS, the Board's policy is to require that the cost for the actuary's calculations are to be borne by the parties to the domestic relations proceedings, and the order provides that the Participant and the Alternate Payee shall be responsible for any and all additional costs for actuarial services, and that the Alternate Payee's share of said costs shall be in proportion to the amount of the Participant's retirement allowance awarded to him under the parties' EDRO, and  
WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law including Public Act 46 of 1991 (MCLA 38.1701) as amended, therefore be it  
RESOLVED, that the Board acknowledges receipt of said court order, will pay pension benefits consistent with said order subject to an application being filed by the Participant or Alternate Payee seeking payment, and further  
RESOLVED, that upon application of either the Alternate Payee or the Participant this file be forwarded to the Board's actuary for calculation of the benefits, and further  
RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and  
RESOLVED, that copies of this resolution be sent to Debra Sue Murray, the Participant; Jorin G. Rubin, Esq., and Dona L. Lakritz, Esq. attorneys for the Participant; Paul Henry Matyka, the Alternate Payee; Daniel Findling, Esq., attorney for the Alternate Payee, and the Board's actuary.

Brian E. Black, of the police department, ROPOA bargaining unit, requested to purchase 1 year, 10 months and 16 days of service credit, by way of letter of agreement, in the amount of \$74,931.00, with an annual benefit offset of \$6,015.60.

*Moved by Bret Nelson to approve the service purchase, by way of letter of agreement, of 1 year, 10 months and 16 days by Brian E. Black in the amount of \$74,931.00, with an annual benefit offset of \$6,015.60.*

*Supported by Lee Collick*

*MOTION ADOPTED 4/0*

### **Applications**

Brian E. Black, of the police department, ROPOA bargaining unit, 25 years of service credit (purchased 1 year, 10 months and 16 days of service credit). Service retirement requested. Requested retirement date of March 7, 2019. Eligible based on years of service.

*Moved by Bret Nelson to approve the service retirement application for retirement effective March 7, 2019 for Brian E. Black.*

*Supported by Lee Collick*

*MOTION ADOPTED UNANIMOUSLY 4/0*

Theresa L. Sobocinski, of the DPS department, TPOAM bargaining unit, 26 years and 8 months of service credit. Service retirement requested. Requested for retirement date of July 6, 2019. Eligible based on years of service and age.

*Moved by Bret Nelson to approve the service retirement application for retirement effective July 6, 2019 for Theresa L. Sobocinski.*

*Supported by Lee Collick*

*MOTION ADOPTED UNANIMOUSLY 4/0*

Robert Reilly, of the police department, ADMDH bargaining unit, 25 years of service credit. Service retirement requested. Requested retirement date of August 24, 2019. Eligible based on years of service.

*Moved by Bret Nelson to approve the service retirement application for retirement effective August 24, 2019 for Robert Reilly.*

*Supported by Lee Collick*

*MOTION ADOPTED UNANIMOUSLY 4/0*

### **Amended Agenda:**

Donald E. Johnson, city manager with an individual contract, 16 years and 9 months of service credit (purchased 3 years of service credit). Service retirement requested. Requested a retirement date of July 1, 2019. Eligible based on age.

*Moved by Bret Nelson to approve the service retirement application for retirement effective July 1, 2019 for Donald E. Johnson.*

*Supported by Lee Collick*

*MOTION ADOPTED UNANIMOUSLY 4/0*

### **Retirement Benefits**

Brian E. Black –service retirement - police officer in the ROPOA bargaining unit. 25 years of service credit (purchased 1 year, 10 months and 16 days of service credit). Retirement date of March 7, 2019. Selected Option D 75% to surviving spouse - \$4,200.65 gross monthly benefit with withdrawal of contributions / interest of \$68,754.88.

*Moved by Bret Nelson to approve the gross monthly benefit payment of \$4,200.65 to Brian E. Black and withdrawal of contributions / interest of \$68,754.88.*

*Supported by Lee Collick*

*MOTION ADOPTED UNANIMOUSLY 4/0*

### **INVESTMENTS**

SEI investment report dated July 1, 2019 presented by Terry Gerlich and Jon Waite

Jon and Terry provided a comprehensive fiduciary management solution overview for our retirement system and reviewed our current portfolio in detail. SEI suggested that the retirement board add a new component to our portfolio – private equity – which is a long-term investment program that SEI hopes will provide an additional return opportunity on a diversified basis. SEI described a new SEI fund – Global Private Assets V – that is available to invest in up until the end of 2019. The retirement board requested that SEI provide additional information on non-SEI private equity funds for comparison and further discussion at the next meeting.

Market value/allocation of assets as of May 31, 2019 equaled \$148,645,038.

One-month performance (except core property) – total portfolio outperformed benchmark: -3.22% return vs. -3.34% index.

Three-month performance – total portfolio outperformed the benchmark: -0.09% return vs. -0.31% index.

YTD performance - total portfolio outperformed the benchmark: 7.56% return vs. 7.12% index

One-year performance – total portfolio underperformed the benchmark: 1.27% return vs. 1.51% index.

Three-year performance – total portfolio outperformed the benchmark: 8.25% return vs. 7.70% index.

Inception - total portfolio outperformed the benchmark: 5.49% return vs. 5.11% index.

*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**

Memo from Vanoverbeke, Michaud, & Timmony, P.C. dated June 18, 2019 regarding Michigan case update - Kendzierski, et al. v. Macomb County

*Moved by Bret Nelson to receive and file report*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*

Robbins Geller Rudman & Dowd Portfolio Monitoring Report dated May 31, 2019

*Moved by Bret Nelson to receive and file report*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*

Robbins Geller Rudman & Dowd Settlement Report dated May 31, 2019

*Moved by Bret Nelson to receive and file report*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*

Robbins Geller Rudman & Dowd International Portfolio Monitoring Report dated May 31, 2019

*Moved by Bret Nelson to receive and file report*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*

Robbins Gellar Rudman & Dowd Q1 2019 Repose Report dated March 29, 2019

*Moved by Bret Nelson to receive and file report*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*

**OTHER BUSINESS**

2019 Renewal for Fiduciary Liability Insurance is in the process - update

**NEXT MEETING AND ADJOURNMENT**

Next regular meeting is scheduled for 8:00 am Tuesday August 6, 2019 at city hall room 309.

*Moved by Lee Collick to adjourn the meeting (9:17a.m.) and confirmed the meeting for August 6, 2019 at 8:00 am.*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*