

**CITY OF PONTIAC MICHIGAN
REESTABLISHED GENERAL EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING**

A regular meeting of the Board of Trustees was held on Wednesday, January 26, 2022 at City of Pontiac General Employees' Retirement System, 2201 Auburn Rd, Suite B, Auburn Hills, MI 48326. The meeting was called to order at 8:47 A.M.

TRUSTEES PRESENT

Sheldon Albritton, Chair
Darin Carrington, Secretary *arr 8:55 AM*
Robert Giddings, Vice-Chair
Tim Greimel, Mayor *arr 8:52 AM*
Lisa King
James Miriani
William Parker Jr., City Council *arr 8:49AM*
Billie Swazer
James Walker
John White

TRUSTEES ABSENT

Walter Moore

OTHERS

Louise Gates, Gabriel, Roeder, Smith & Co. (electronically)
Linda Watson, Retiree
Cynthia Billings-Dunn, Asher Kelly (electronically)
Steven Roth, Dahab Associates (electronically)
Mizuki Kanno, Executive Assistant
Deborah Munson, Executive Director

PUBLIC COMMENT

Linda Watson made public comments.

Trustee Parker arrived at 8:49 AM.

Trustee Greimel arrived at 8:52 AM.

Trustee Carrington arrived at 8:55 AM.

AGENDA CHANGES

Ms. Billings-Dunn requested to amend New Business to add a legal report. She stated that she would like to present portfolio monitoring agreements.

RESOLUTION 22-001 By Swazer, Supported by Walker
Resolved, That the Board approves to accept the change to the agenda.

Yeas: 10 – Nays: 0

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CONSENT AGENDA

- A. Approval of the Minutes of the Regular Board Meeting held on November 17, 2021

RESOLUTION 22-002 By Swazer, Supported by Miriani

Resolved, That the Board approves and ratifies actions described in the Consent Agenda for January 26, 2022.

Yeas: 10 – Nays: 0

CONSULTANT

Mr. Roth reported that the market value of the old GERS was \$561M as of yesterday, and it would be about \$579M with the \$17.8M already moved to the VEBA. He stated that Dahab is monitoring this daily, and some procedures are in place if there is a need to adjust the transfer amounts.

TRUSTEES REPORT: NONE

NEW BUSINESS

RE: Resolution to Recommend Reappointment of Citizen Trustee James Walker

RESOLUTION 22-002 By Swazer, Supported by King

Whereas, James Walker is serving as Citizen Trustees on the Reestablished General Employees' Retirement System Board of Trustees with a term expiring on March 31, 2022: and

Whereas, Mr. Walker has indicated his desire to continue serving on the Retirement Board; and

Whereas, Mr. Walker has faithfully attended Retirement Board meetings and has served the Retirement System and its members very capably; now, therefore be it

Resolved, that the Reestablished General Employees' Retirement System Board of Trustees does hereby recommend to the City Council that James Walker be reappointed as Citizen Trustee to the Reestablished General Employees' Retirement System for a four-year term beginning April 1, 2022 and expiring on March 31, 2026.

Yeas: 10 – Nays: 0

RE: Resolution to Recommend Reappointment of Citizen Trustee John White

RESOLUTION 22-003 By Walker, Supported by Carrington

Whereas, John White is serving as Citizen Trustees on the Reestablished General Employees' Retirement System Board of Trustees with a term expiring on March 31, 2022: and

Whereas, Mr. White has indicated his desire to continue serving on the Retirement Board; and

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Whereas, Mr. White has faithfully attended Retirement Board meetings and has served the Retirement System and its members very capably; now, therefore be it

Resolved, that the Reestablished General Employees' Retirement System Board of Trustees does hereby recommend to the City Council that John White be reappointed as Citizen Trustee to the Reestablished General Employees' Retirement System for a four-year term beginning April 1, 2022 and expiring on March 31, 2026.

Yeas: 10 – Nays: 0

LEGAL REPORT

RE: Resolution to Authorize Chairman's Signature on Portfolio Monitoring Agreements

Ms. Billings-Dunn stated that there are three firms that monitor the GERS portfolio for instances where the fund has lost money as a result of fraud on the market. She explained that these firms provide monthly and quarterly reports to show the amount of losses so that as those cases move to settlement, Proofs of Claim can be filed. She stated that the new GERS needs to have these agreements to continue with this activity. She said that these agreements are strictly for portfolio monitoring and not for any type of litigation.

RESOLUTION 22-004 By Giddings, Supported by Swazer

Resolved, That the Board approves to authorize Chairman's signatures on portfolio monitoring agreements with Robbins, Geller, Rudman & Dowd; Motley Rice, LLC; and Bernstein Litowitz Berger & Grossman LLP.

Yeas: 10 – Nays: 0

RE: Resolution RE: Litigation Claims

Ms. Billings-Dunn presented the resolution to the Board. She explained that in order to not give up the right to be able to pursue losses that occurred prior to the transfer of the assets, this resolution would give the ability to the new GERS to pick up where the old GERS is leaving off. She recommended that both the Boards adopt this resolution.

RESOLUTION 22-005 By White, Supported by Swazer

Whereas, On March 30, 2018, the City of Pontiac and the City of Pontiac Retired Employees' Association (CPREA) entered into a Settlement Agreement (Agreement) whereby the City would terminate the City of Pontiac General Employees' Retirement System (Old GERS) and establish the City of Pontiac Reestablished General Employees' Retirement System (New GERS);

Whereas, Pursuant to the Agreement, the New GERS would receive assets from the Old GERS in an amount to cover 130% of the liabilities and obligations of the Old GERS and will continue to provide the

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same benefits to the same participants and beneficiaries as the Old GERS and will retain the staff, all service providers and trustees from the Old GERS;

Whereas, The trustees for the Old GERS and the New GERS want to ensure that the New GERS will be able to initiate litigation for claims arising from investments made by the Old GERS before the transfer of assets;

Whereas, The trustees for the Old GERS and the New GERS want to ensure that the New GERS will be able to continue prosecuting any cases filed before the transfer of assets; and

Whereas, The trustees for the Old GERS and the New GERS want to ensure that the New GERS will be able to file claim forms in settlements based on investments made before the transfer of assets;

Now therefore be it resolved that,

(i) Old GERS assigns, transfers, and conveys its entire interest in all of its assets and securities, including without limitation all rights, title, and interest in claims, demands, or causes of action against any and all persons under any applicable law arising out of the purchase, other acquisition, holding, sale, or other disposition of assets and securities, including, but not limited to, claims, demands, or causes of action under federal, state, or other securities laws, the common law, or other law, and whether sounding in tort or contract, and including without limitation claims, demands, or causes of action arising under or relating to both assets and securities transferred to the New GERS and assets and securities sold or otherwise disposed of by Old GERS before the transfer of assets, to the New GERS ("Litigation Claims");

(ii) The New GERS is appointed as the Old GERS' true and lawful attorney-in-fact to pursue all suits, and causes of action arising out of or relating to the Litigation Claims, including to pursue all claims suits, or causes of action relating or arising out of both the transferred assets and securities and assets and securities sold or otherwise disposed of by the Old GERS before the reorganization, and to do all acts necessary for the purpose of recovering any losses or damages suffered in the transferred or previously disposed of assets; and

(iii) Old GERS and New GERS agree to be bound by any court decisions or judgments relating to the Litigation Claims.

Yeas: 10 – Nays: 0

Travel Reimbursement for Board Members

This is for the Trustees' information.

The Board reserves the right to enter into closed session to review matters in accordance with Michigan Public Act 267 of 1976 (Open Meetings Act).

There was no closed session.

SCHEDULING OF NEXT MEETING/ADJOURNMENT

**CITY OF PONTIAC MICHIGAN
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BOARD OF TRUSTEES MEETING**

Regular Meeting: Wednesday, February 23, 2022 8:45 a.m.

RESOLUTION 22-006 By Swazer, Supported by Miriani

Resolved, That the meeting of the Board of Trustees of the Pontiac Reestablished General Employees' Retirement System be adjourned at 9:07 a.m.

Yeas: 10 – Nays: 0

I certify that the forgoing are the true and correct minutes of the meeting of the Reestablished General Employees' Retirement System held on January 26, 2022.

As recorded by Mizuki Kanno, reviewed and edited by Legal Counsel and the Executive Director