

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

A regular meeting of the Board of Trustees was held on Tuesday, February 27, 2024, at City of Pontiac Reestablished General Employees' Retirement System, 2201 Auburn Rd, Suite B, Auburn Hills, MI 48326. The meeting was called to order at 9:06 A.M.

TRUSTEES PRESENT

Sheldon Albritton, Chairman – *electronically*
Robert Giddings, Vice-Chair
Tim Greimel, Mayor – *electronically*
William Parker Jr., City Council
Billie Swazer
James Miriani – *electronically*
Lisa King – *electronically*
Patrice Waterman
James Walker
John White

OTHERS

Linda Watson, Retiree
Darlene Williams, Citizen
Cynthia Billings-Dunn, AsherKelly
David Lee, Dahab Associates
Kenneth Pink, Bonadio
Brian Lafountain, Bonadio
Chuck Story, Rehmann
Daniel Clark, Rehmann
James Robinson, Robinson Capital
Talmadge Gunn, Robinson Capital
Clarissa Parker, Xponance, Inc.
Sumali Sanyal, Xponance, Inc.
Tina Turner, Executive Director
Edith Meyers, Finance Officer
Xiaotian Xue, Executive Assistant

FORENSIC AUDIT

A. The Bonadio Group

Mr. Pink and Mr. Lafountain presented the Bonadio Group's overview, engagement team, employee benefit plan services and experience, fraud & forensic practice, information technology, project management and DEI initiatives.

Trustee Waterman asked for the difference between the Audit and the Forensic Audit.

Mr. Pink and Mr. Lafountain responded that the regular Audit is looking for the CPA firm's opinion on the

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

overall annual Financial Statements to ensure the data is accurately recorded, while Forensic audit is more in depth on specific elements, such as exit audit for leadership handover to bring transparency and ensure there is no surprise.

Trustee Parker asked if Bonadio has offices in Michigan, and how many minorities in a management level?

Mr. Pink responded that the Group has offices in Michigan, and there are 200 out of 900 staff who are minorities. For the management level data, he will provide after the meeting.

Trustee White asked estimated man-hours for the project and which area does Bonadio plan to investigate.

Mr. Pink responded that it would start from interviews regarding internal control and high-risk area, the estimation will be around 150 man-hours.

B. Rehman

Mr. Story and Mr. Clark introduced Rehman's experience and team on corporate fraud and forensic accounting, business intelligence, litigation support, fire & forensic sciences, insurance services, cyber security management, and corporate security.

Trustee Parker asked if Rehman could provide solutions for improvement in a reasonable timeframe, such as system-driven solutions to work smarter.

Mr. Clark responded that Rehmann can offer connections on system solutions such as QuickBooks and other types of best practices.

CONSENT AGENDA

A. Approval of the Minutes of the Regular Board Meeting held on January 31, 2024.

B. Ratification of Retiree Payroll & Staff Payroll

Retiree Pay Date February 28, 2024	\$	N/A
Staff Pay Date February 08, 2024	\$	11,929.66
Staff Pay Date February 22, 2024	\$	12,020.67

C. Communications

- MissionSquare – Doug Featherstone
- 2024 TerraCap Annual Conference

D. Financial Reports

- Accounts Payable: February 2024 \$ 208,341.17 (as of 02/22/24)
- Accounts Receivable: February 2024 \$ 7,041.52 (as of 02/22/24)

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

E. Private Equity Capital Calls & Distributions:

- Distribution in February 2024:

Wellington Distribution - February 05, 2024	\$ 2,939.29
Xponance Rebalancing - February 22, 2024	\$ 3,000.000

F. Retirement Benefits

1. New Retirements

RETNO	NAME	Effective Date
-------	------	----------------

Bold type entry indicates Reciprocal service credit.

2. Terminated Retirements

RETNO	NAME	Date of Death
2275	Johnny Harris Jr.	1/22/2024
2295	Mary Roberson	1/10/2024

3. J&S Continued Retirements

RETNO	Retiree's Name	Survivor's Name	Date of Death
-------	----------------	-----------------	---------------

4. Re-calculated Retirements

RETNO	NAME	Reason for Change	Effective Date
-------	------	-------------------	----------------

Pop-Up Benefit: When beneficiary dies before retirant, monthly benefit "pops-up" to what would have been the monthly Regular benefit amount (plus applicable COLA).

5. Disability Medical Re-Exams/Benefit Continuation

RETNO	NAME	Effective Date
-------	------	----------------

6. Refunds of Employee Contributions

RETNO	NAME	Effective Date
-------	------	----------------

RESOLUTION 24-012 By Swazer, Supported by Parker

Resolved, That the Board approves and ratifies actions described in the Consent Agenda for February 27, 2024.

Yeas: 6 – Nays: 0

CONSULTANTS

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

A. Robinson Capital

Mr. Robinson and Mr. Gunn presented the portfolio review including the firm's diversity, equity and inclusion policy, portfolio summary, performance, investment philosophy, processes, and team.

B. Xponance

Ms. Parker and Ms. Sanyal reported on the firm's background, systematic global equities platform, portfolio in action, index replication, and global investment performance standard reports.

C. Investment Manager Review

Mr. Lee presented the review of the performance of Robinson Capital and Xponance to the Board.

D. 4th Quarter Performance Review for 2023

Mr. Lee reported the 4th Quarter Performance Review for 2023.

E. Preliminary Performance and Monthly Asset Level: January 31, 2024

Mr. Lee reviewed the January Preliminary Performance Report. He reported that the portfolio was valued at \$451M as of January 31, 2024.

F. Attucks Manager-of-Managers Summary: January 31, 2024

This is for Trustees' information.

G. Siris Capital

RESOLUTION 24-013 By Swazer Supported by Walker

Resolved, That the Board approves the Finance Committee and Consultant's recommendation to allocate \$5M to Siris Capital.

Yeas: 6 – Nays: 0

REPORTS

Trustees Report: None

Committee Report

Ms. Turner reported that both Committees reviewed the Monthly Disability Report, the employee contracts, Staff Training Update, CPA Hiring Update, 2022 Audited Financial Statements Representation Letter by GJC, election candidate eligibility, correspondence from MissionSquare. The Personnel Committee reviewed the Deceased Members Report, Employee Leave Balances. The Finance Committee reviewed the 4th Quarter Performance Review for 2023, January Preliminary Performance and Monthly Asset Level, Investment Manager Review, Distributions, Forensic Audit Update, Accounts Payable and Accounts Receivable.

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

EXECUTIVE DIRECTOR REPORT

Ms. Turner reported on the employee contracts review, 2024 training, CPA position recruiting, 2022 Audited Financial Statements Representation Letter by GJC. The eligibility of the candidate has been reviewed; Retiree Linda Watson submitted the candidate statements for both the Retiree-Trustee position and the Member-Trustee position. While Ms. Watson is eligible to run for the Retiree-Trustee position or the Member-Trustee position, she cannot run for both positions simultaneously. A certified letter was mailed to Ms. Watson on February 21, 2024, informing her that she needs to advise the Retirement Office, in writing, as to which Trustee position she intends to run. Ms. Turner also reported that a follow-up call to Ms. Watson was made on February 23, 2024.

RESOLUTION 24-014 By White Supported by Walker

Resolved, That the Board ratified the Chairman's approval for the letter that was sent to Trustee election candidate Linda Watson on February 21, 2024.

Yeas: 6 – Nays: 0

UNFINISHED BUSINESS: NONE

NEW BUSINESS

A. Forensic Audit

RESOLUTION 24-015 By White Supported by Parker

Resolved, That the Board approves to hire the Bonadio Group to conduct a Forensic Audit for the time period January 01, 2021 to December 31, 2022, subject to the legal counsel review of the contract.

Yeas: 6 – Nays: 0

B. Resolution to approve Election Canvasser

RESOLUTION 24-016 By Swazer Supported by Parker

Resolved, That the Board approves Trustee Waterman as the Trustee Election Canvasser.

Yeas: 6 – Nays: 0

C. Resolution to approve the revised Ethics and Paid Time Off Policy

RESOLUTION 24-017 By Waterman Supported by Parker

Resolved, That the Board approves the revised Ethics and Paid Time Off Policy as recommend by the Personnel Committee.

Yeas: 6 – Nays: 0

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

LEGAL REPORT

1. Report from Legal Counsel

eVestment FOIA

This is for Trustees' information.

Teel Financial Durable Power of Attorney

This is for Trustees' information.

Michigan Public Act 4 of 2023 – Lowering MI Costs Plan

This is for Trustees' information. A notice will be sent to all retirees in mail for awareness.

MotleyRice 4th QTR 2023 Portfolio Monitoring Report

This is for Trustees' information.

Robbins Geller January 2024 Portfolio Monitoring Report

This is for Trustees' information.

PUBLIC COMMENT

Linda Watson made a public comment.

2. Resolution to approve the Closed Session meeting minutes

RESOLUTION 24-018 By Swazer, Supported by Waterman

Resolved, That the Board approves the Closed Session meeting minutes held on January 31, 2024.

Yeas: 6 – Nays: 0

3. Report from Legal Counsel - Litigation

Resolution to Go into Closed Session

RESOLUTION 24-019 By Walker, Supported by Swazer

Resolved, That the Board approves to go into the Closed Session to discuss Microsoft, World Wrestling Entertainment, Norfolk, Wells Fargo, and Bank of America Corporation matters.

Yeas: 6 – Nays: 0

ROLL CALL:

Giddings – Yes

Parker – Yes

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

Swazer – Yes
Walker – Yes

Waterman – Yes
White – Yes

The Board went into closed session at 11:39 A.M.
The Board returned from closed session at 11:46 A.M.

SCHEDULING OF NEXT MEETING/ADJOURNMENT

Regular Meeting: Wednesday, March 27, 2024, 9:00 a.m.

A. ADJOURNMENT

RESOLUTION 24-020 By Swazer, Supported by Parker

Resolved, That the meeting of the Board of Trustees of the Pontiac Reestablished General Employees' Retirement System be adjourned at 11:46 A.M.

Yeas: 6 – 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 February 27, 2024.

As recorded by Xiaotian Xue, reviewed, and edited by Executive Director and Legal Counsel