

MINUTES OF THE RETIREMENT BOARD
Thursday, November 19, 2020

A meeting of the Retirement Board was held electronically on Thursday, November 19, 2020 at 8:30 a.m. in accordance with Section 3a the Open Meetings Act in an effort to protect the health and safety of the public. The following members were present remotely via Cisco Webex Events:

Present:

Mark Deldin (Harrison Township, Michigan), Bryan Santo (Mount Clemens, Michigan), Harold Haugh (Roseville, Michigan), Matthew Murphy (Mount Clemens, Michigan), Michael Grix (Mount Clemens, Michigan), Larry Rocca (Mount Clemens, Michigan), George Brumbaugh (Clinton Township, Michigan)

Excused:

Gary Cutler

Also Present:

Stephanie Dobson, Stephen Smigiel, John Schapka, Christina Miller, Tom Michaud, Mike Holycross

1. Call to Order

There being a quorum of the Board present, the meeting was called to order at 8:31 a.m. by Chair Deldin.

Ms. Schave conducted a roll call of all voting members present with each stating their name and remote attendance location for the record.

2. Adoption of Agenda

A motion was made by Trustee Rocca, supported by Vice-Chair Santo to adopt the agenda as presented. The motion carried.

3. Approval of Minutes from October 29, 2020

A motion was made by Trustee Haugh, supported by Trustee Rocca to approve the minutes from October 29, 2020 as presented. The motion carried.

4. Approval of Invoices

A motion was made by Trustee Haugh, supported by Vice-Chair Santo to approve the invoices as presented. The motion carried.

5. Public Participation

None

6. Retirement Administrator Report

Ms. Dobson provided an update on the Annual Signature verification. There are 11 pensions slated to be suspended in December. These are all individuals who did not respond to her department's attempts (or those of Retiree Representative Brumbaugh) to contact them to get the form completed and returned.

a. Update on Buck's new Admin Platform

Ms. Dobson was pleased to report that she feels like they are "almost there" with the employee self-service site. She is planning on sending out an email with a link to the pilot program today to a select group of users. They are asking for feedback on the new site and are aiming for December 1st for countywide release. She is also already working with Troy on the data extraction from the new platform for the next valuation. This is to ensure that the data transfers smoothly and does not delay the valuation.

Ms. Dobson also reported that her office is seeing an increased number of people coming in and filing for retirement. As of today, there are 19 people leaving the County on January 8, 2021. That is the highest number ever on one day and a big increase overall, with more calls coming in every day. She noted that a good number of people seem to be from the Department of Roads.

Chair Deldin thanked Ms. Dobson for her diligence in working with Buck and staying on top of all of the issues they have encountered since the transition to the new Admin platform. He acknowledged that it was not something she should have had to deal with, but noted he is glad it seems to finally be coming to an end. He is looking forward to testing out the new site.

A motion was made by Trustee Grix, supported by Trustee Rocca to receive and file the Retirement Administrator Report. The motion carried.

7. Townsend / Penn Square Annual Investment Update

Mr. Jake Heacox, Mr. Jeff Deal and Mr. Jose Calderon joined the meeting remotely to provide the Board with an update on their investment with Townsend / Penn Square. Mr. Heacox introduced the group and gave a brief history of the Townsend and Penn Square investments. He reviewed the 2020 Capital Account Statement as well as the TREA II portfolio summary. He examined the portfolio's holdings and discussed some of the challenges within the portfolio. These include retail and some office spaces. Overall, they consider the portfolio to be in great shape given the current circumstances with the pandemic.

A motion was made by Vice-Chair Santo, supported by Trustee Grix to receive and file the Townsend / Penn Square Annual Investment Update. The motion carried.

8. Alidade Capital Annual Investment Update

Mr. Geoff Langdon, Mr. Steve Faliski and Mr. Matt Richter joined the meeting remotely to provide the Board with an update on their investment with Alidade Capital. Mr. Langdon introduced the group and provided a performance update at the fund level (Funds I and II are fully harvested – closed in May of 2020). He discussed the capital account summary and gave a brief update related to the impact of COVID on the portfolio (particularly Funds III and IV). He provided a status update for Fund III and noted that rent collections have remained strong during the pandemic. He also discussed projected distribution estimates for Fund III across the next 12 months and reviewed the list of portfolio holdings in that fund. Mr. Langdon also touched on Fund IV with a brief status update. He also advised the Board that Alidade has a new website and they are seeking feedback from investors on the new site.

A motion was made by Trustee Rocca, supported by Trustee Haugh to receive and file the Alidade Capital Annual Investment Update. The motion carried.

9. ValStone Partners Annual Investment Update

Mr. Jerry Timmis, Mr. Glenn Murray and Ms. Shana Weiss joined the meeting remotely to provide the Board with an update on their investment with ValStone Partners. Mr. Timmis introduced the group present from ValStone and discussed some of their challenges this year due to COVID. He examined the make-up of the portfolio and noted that some of their biggest exposure is in senior housing. Mr. Timmis noted that COVID has been a struggle for ValStone due to the investments they have in senior housing and hospitality. Ms. Weiss continued the presentation and went through some of the slides compiled for the Board. She reviewed the characteristics of the portfolio and talked about the timeline of contributions. Ms. Weiss also discussed a property in Florida as an example of one of their investments. Mr. Timmis finished with a review of the property types within the portfolio.

A motion was made by Trustee Haugh, supported by Trustee Grix to receive and file the ValStone Partners Annual Investment Update. The motion carried.

10. Bloomfield Capital - Rollover of Unfunded Commitment from Series A to Series B Consent to LLC Agreement Amendment

Mr. Holycross advised that Bloomfield Capital has asked their clients to roll the committed capital that did not get called for the current series forward to the next series. The documents provided are the agreement to allow that roll forward. He indicated that AndCo's research team is still reviewing this request and their Policy Committee has not yet had an opportunity to discuss this request. That committee will be meeting the first week of December and he anticipates having a recommendation for the Board after that time.

A motion was made by Vice-Chair Santo, supported by Trustee Haugh to receive and file the documents from Bloomfield Capital as correspondence. The motion carried.

11. Unfinished Business

None

12. New Business

Mr. Holycross provided the Board with an updated Asset Allocation Report.

A motion was made by Trustee Rocca, supported by Trustee Grix to receive and file the Asset Allocation Report. The motion carried.

Ms. Schave advised the Board members that the email notifications for the online 2020 Employee Representative Election are beginning to roll out today. Voting will be open until the second Tuesday in December. Instructions will also be mailed to each eligible voter as the Board requested. Each person will be provided with a unique ID and password that must be used in order to login and vote.

13. Adjournment

There being no further business before the Board, a motion was made by Trustee Rocca, supported by Trustee Haugh to adjourn the meeting at 9:51 a.m. The motion carried.