

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, March 10, 2022**

A meeting of the Retirement Board was held on Thursday, March 10, 2022 at 8:30 a.m. in the Administration Building, 9<sup>th</sup> Floor Committee Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

**Present:**

Mark Deldin, Bryan Santo, Harold Haugh, Joe Biondo, Larry Lee, George Brumbaugh

**Excused:**

Michael Grix

**Also Present:**

Stephanie Dobson, Stephen Smigiel, Christina Miller, Tom Michaud, Mike Holycross (via Webex)

**1. Call to Order**

There being a quorum of the Board present, the meeting was called to order at 8:30 a.m. by Chair Deldin.

**2. Adoption of Agenda**

*A motion was made by Trustee Haugh, supported by Trustee Biondo to adopt the agenda as presented. The motion carried.*

**3. Approval of Minutes from February 17, 2022**

*A motion was made by Trustee Haugh, supported by Trustee Biondo to approve the minutes from February 17, 2022 as presented. The motion carried.*

**4. Approval of Invoices**

*A motion was made by Trustee Biondo, supported by Trustee Haugh to approve the invoices as presented. The motion carried.*

**5. Public Participation**

None

**6. Edgewood Management Annual Update – Alan Breed, Gui Costin**

Mr. Alan Breed and Mr. Gui Costin joined the meeting via Webex to provide the Board with an update on their investment with Edgewood Management. Mr. Breed introduced the firm and stated there has been a shift in the companies that they own. He described the portfolio today and reviewed the top 10 holdings as of December 31, 2021. He also discussed some of the names they have recently sold and a couple of new names. Mr. Breed also examined the current market environment with references to oil prices and the labor market. He stated that while it has been a tough period for growth stocks, he feels good about the future.

*A motion was made by Vice-Chair Santo, supported by Trustee Haugh to receive and file the Edgewood Management Annual Update. The motion carried.*

**7. Yousif Capital Management Annual Update – Kevin Yousif**

Mr. Kevin Yousif joined the meeting to provide the Board with an update on their investment with Yousif Capital Management (YCM). Mr. Yousif provided a brief overview and reminded the Board that YCM recently purchased World Asset Management. Their assets under management are now approximately \$15 billion. He discussed YCM's strategy and noted that they have a well-diversified portfolio. He reviewed performance history as of December 31, 2021 and stated that the Board has earned a 15% return since inception of their initial investment. Mr. Yousif also reviewed their fee schedule and examined the current effects of inflation.

*A motion was made by Trustee Haugh, supported by Trustee Lee to receive and file the Yousif Capital Management Annual Update. The motion carried.*

**8. Retirement Administrator Report**

Ms. Dobson provided the most recent Activity Report and noted that there have been a lot of people exiting the County in the last few months. She feels that turnover in the last year has been high and she expects that will be reflected on the next valuation. She stated that Buck is beginning to work on that and that her office is also starting the process of sending out the Annual Signature Verification. Ms. Dobson expects that the first mailing will go out in April.

*A motion was made by Vice-Chair Santo, supported by Trustee Biondo to receive and file the Retirement Administrator Report. The motion carried.*

**9. Legal Report – Tom Michaud**

**a. DRAFT – Updated Securities Litigation Policy**

Chair Deldin advised the other Board members that he recently had a conversation with Corporation Counsel, John Schapka regarding the handling of securities litigation matters for the Retirement System. Corporation Counsel recently lost an attorney and they have been bombarded with issues from other parts of the County that require their attention. Chair Deldin suggested updating the Retirement Board's policy and have outside legal counsel resume handling securities litigation matters. A change had been made in 2014 bringing these matters in house and assigning responsibility to Corporation Counsel. Mr. Schapka had no objections to reverting to the prior policy and allowing these matters to be handled by the Board's outside counsel. Chair Deldin reached out to Mr. Michaud and he provided the updated draft policy brought before the Board today. The draft provided turns the handling of securities litigation matters back over to Mr. Michaud's office. The Board had no objections.

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to adopt the updated Securities Litigation Policy as presented. The motion carried.*

**b. Michigan Attorney General Opinion #7318**

Mr. Michaud discussed a memo that had been provided by Mr. Castle in his office related to a recent opinion issued by the Michigan Attorney General regarding accommodations under the Americans with Disabilities Act and the Open Meetings Act. Mr. Michaud stated that reasonable accommodations can be requested for virtual attendance at a meeting, but those requests must be made in advance and analyzed to ensure they meet certain criteria before an accommodation can be granted. He noted that all meeting notices should contain specific language about where to submit a request under the Americans with Disabilities Act and observed that this Board's meeting notices already contain that language. He indicated nothing further is needed at this time. Mr. Michaud then answered a few questions from trustees.

*A motion was made by Trustee Biondo, supported by Trustee Haugh to receive and file the memo regarding Michigan Attorney General Opinion #7318 as presented by Mr. Michaud. The motion carried.*

**10. MAPERS Spring 2022 Conference – May 21<sup>st</sup> to 24<sup>th</sup> – Grand Traverse Resort**

The Board was provided with the information regarding the 2022 Spring MAPERS Conference scheduled for May 21-24, 2020 being held at Grand Traverse Resort in Acme.

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to approve Board member and staff attendance and expenses related to the MAPERS 2022 Spring Conference scheduled for May 21-24 at the Grand Traverse Resort. The motion carried.*

Ms. Schave will send out an email to find out who is interested in attending and begin making travel arrangements as needed. Chair Deldin noted that he had heard hotel rooms are booking up fast and he urged those wanting to attend to let Ms. Schave know as soon as possible.

**11. Unfinished Business**

None

**12. New Business**

Trustee Haugh mentioned an executive order signed by the Michigan Governor directing state of Michigan run pension systems to divest any Russian securities. Mr. Holycross indicated that order has no bearing on the County and local municipalities are not required to follow it. This Board would need to set their own policy regarding that. Trustee Haugh asked Mr. Holycross to investigate what would need to take place to withdraw the Retirement System's investments in Russia. Mr. Holycross advised that only a minimal amount of the system's money is invested in a small position held by ABS. He stated that he would reach out to them and see if they would be available to answer questions from the Board at their next meeting on March 24<sup>th</sup>. Trustee Biondo also asked Mr. Holycross to look into the pension system's exposure in China. Mr. Holycross made a note of that request as well.

**13. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Haugh, supported by Trustee Biondo to adjourn the meeting at 9:40 a.m. The motion carried.*