

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, July 1, 2021**

A meeting of the Retirement Board was held on Thursday, July 1, 2021 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, Larry Rocca, Gary Cutler, Michael Grix, George Brumbaugh

**Excused:**

Matthew Murphy

**Also Present:**

Stephen Smigiel, John Schapka, Joe Biondo, Tom Michaud

Mike Holycross and Andrew McKinnon also attended remotely 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 Rocca, supported by Trustee Grix to adopt the agenda as presented. The motion carried.*

**3. Approval of Minutes from June 3, 2021**

*A motion was made by Trustee Haugh, supported by Trustee Rocca to approve the minutes from June 3, 2021 as presented. The motion carried.*

**4. Approval of Invoices**

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

**5. Public Participation**

Retiree Representative Brumbaugh asked to speak for a moment as a member of the public. He advised the Board that former Retirement Board member Walt Warfield passed away last Saturday. Mr. Warfield had been an employee representative for many, many years. He served on this Board while employed with the Department of Roads and then later served as a Retiree Representative as a member of the Retirees Association.

A moment of silence was observed to honor Mr. Warfield's past service to the Board. He will be greatly missed by all those who knew him.

**6. Retirement Administrator Report**

Ms. Dobson was excused from the meeting. Mr. McKinnon advised that there was nothing new to report.

**7. Disability Retirement**

The Board was in receipt of the Medical Director's confidential medical reports regarding the re-examination of Kelly Malicki. The Medical Director has concluded, based on the re-exam, that Ms. Malicki's disability retirement should be continued.

*A motion was made by Trustee Grix, supported by Trustee Haugh that based on the Medical Director's opinion, the continuation of the disability retirement of Kelly Malicki should be approved and the following resolution should be adopted:*

**a. Kelly Malicki (Re-examination Opinion)**

**WHEREAS**, the Retirement Board is vested with the general administration, management and operation of the Macomb County Employees Retirement System ("Retirement System") and has fiduciary responsibilities relative to the proper administration of the pension trust fund, and

**WHEREAS**, Kelly Malicki was granted a disability retirement on May 2, 2020, after a finding by the Retirement Board that the requirements of the Retirement System had been met, and

**WHEREAS**, in accordance with Section 32 of the Retirement Ordinance, at least once each year during the first five (5) years following retirement of a member with a disability pension and at least once every three (3) year period thereafter, the Retirement Board requires a disability retiree to undergo a medical examination directed by the Retirement Board Medical Director, and

**WHEREAS**, that the Retirement Board directed the Human Resources and Labor Relations Department to contact the Medical Director to set up an appointment for Kelly Malicki to be re-examined and to advise the Medical Director of their responsibilities, and

**WHEREAS**, the Retirement Board is in receipt of a certification from the Medical Director, dated June 11, 2021, which states that Kelly Malicki is totally and permanently incapable of resuming employment with the County in the same or similar job classification in which said individual was employed at the time of disability, and

**WHEREAS**, the Retirement Board has discussed this matter and has determined that Kelly Malicki has met the eligibility requirements for a continual disability retirement from the Retirement System, therefore be it

**RESOLVED**, that the Retirement Board hereby approves the continual disability retirement of Kelly Malicki and directs that benefits be paid consistent with the Retirement System's provisions, and further

**RESOLVED**, that a copy of this resolution shall be provided to Kelly Malicki and all other appropriate parties.

*The motion carried.*

**8. 2020 Actuarial Valuation – Buck Global LLC, Kevin Spanier and Brett Hunter**

Mr. Kevin Spanier and Mr. Brett Hunter presented the Board with a summary of the 2020 Actuarial Valuation. Mr. Spanier introduced himself and Mr. Hunter and noted that they will be providing good news to the Board today. They discussed a brief overview of the valuation before moving on to a more in-depth discussion of the covered population, plan assets, and funded status. The plan is funded over 100% as of December 31, 2020. The calculation of the employer contribution for each of the groups in the plan (General County, Sheriff's Department, Roads and Martha T. Berry) was also discussed. Mr. Spanier noted that the valuation report will be finalized within a week or two of this meeting and submitted to Mr. Smigiel. He closed out the presentation with a brief look at the potential risks to the fund's future.

*A motion was made by Vice-Chair Santo, supported by Trustee Grix to receive and file the 2020 Actuarial Valuation presentation. The motion carried.*

**9. County Commissioner Retirement Eligibility – VanOverbeke, Michaud & Timmony, Tom Michaud**

Mr. Michaud provided the Board with a memo related to a question about retirement eligibility for a former County Commissioner that was made at a prior meeting. The Rule of 70 is a provision that allows individuals whose age (once they hit 50) and service credit equal 70 are eligible to retire. That provision is no longer available to certain groups and this Board had asked Mr. Michaud's opinion on the applicability of that provision to the Board of Commissioners. His memo indicates that there was a specific resolution adopted by the County Board of Commissioners that they are eligible for the benefits of non-union employees, but specifically does not include the Rule of 70. The Rule of 70 has consistently not applied to members of the Board of Commissioners and would not apply to the specific Commissioner who made the inquiry. Mr. Schapka concurred with Mr. Michaud's opinion.

Retiree Representative Brumbaugh believes the intent of the County Board of Commissioners was to keep the Rule of 70 applicable themselves, but he understands Mr. Michaud's opinion.

*A motion was made by Trustee Rocca, supported by Trustee Grix to receive and file the legal opinion presented by Mr. Michaud. The motion carried.*

**10. Stamps.com Settlement Proposal – Corporation Counsel, John Schapka**

Mr. Schapka advised the Board that a proposed settlement has been received in the Stamps.com class action lawsuit. He explained some of the details of the case and noted that the original lead plaintiff sold off all of their shares of Stamps.com and was no longer eligible to continue with the case. At that point, a motion to dismiss the case was pending because there was no longer a lead plaintiff. The County of Macomb stepped forward into that role and the case has proceeded. A \$30 million settlement is now on the table and Macomb would be entitled to a pro-rated share of that settlement. Mr. Schapka does not know what that amount would be yet, but he does recommend the Board approve the settlement. There is still some further court action that must take place, so Mr. Schapka does not have a time frame for when the Board will see any money from this case. There is no cost to the Board (any attorney fees and costs would come out of whatever amount is recovered by the County).

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to follow Mr. Schapka's recommendation and approve the proposed settlement. The motion carried.*

**11. MAPERS 2021 Fall Conference – September 18<sup>th</sup>-21<sup>st</sup> – DoubleTree Hotel – Bay City, Michigan**

The Board was provided with the preliminary agenda and registration information for the upcoming MAPERS 2021 Fall Conference at the DoubleTree Hotel in Bay City.

*A motion was made by Trustee Cutler, supported by Trustee Rocca to approve Board member and staff attendance and expenses for the MAPERS 2021 Fall Conference. The motion carried.*

Ms. Schave will email the Board members and staff to determine who would like to attend and ensure that the appropriate arrangements are made for registration and lodging. Once attendees have been confirmed, delegates will be selected at a future meeting.

**12. Unfinished Business**

None

**13. New Business**

**a. ABS Educational Forum – July 12<sup>th</sup>-13<sup>th</sup> – Woodland Country Club – Auburndale, MA**

The Board was provided with the preliminary agenda for the upcoming ABS Educational Forum in Massachusetts.

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to approve Board member and staff attendance and expenses for the ABS Educational Forum. The motion carried.*

Ms. Schave will email the Board members and staff to determine who would like to attend and ensure that the appropriate arrangements are made for registration, flights and lodging.

Chair Deldin also advised the Board that there is a possibility the meeting currently scheduled for July 15<sup>th</sup> may be canceled. There are no fund manager presentations scheduled for that day and if no urgent business is presented to Ms. Schave by the agenda deadline, the meeting may not be needed. He will keep the Board posted once a final decision has been made.

**14. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Haugh, supported by Trustee Rocca to adjourn the meeting at 9:27 a.m. The motion carried.*