

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, August 12, 2021**

A meeting of the Retirement Board was held on Thursday, August 12, 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, Gary Cutler, Harold Haugh, Larry Rocca, Michael Grix, George Brumbaugh

**Excused:**

**Also Present:**

Stephanie Dobson, Stephen Smigiel, Andrew McKinnon, Joe Biondo, 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 8:30 a.m. by Chair Deldin.

**2. Adoption of Agenda**

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

**3. Approval of Minutes from July 29, 2021**

*A motion was made by Trustee Rocca, supported by Vice-Chair Santo to approve the minutes from July 29, 2021 as presented. The motion carried.*

**4. Approval of Invoices**

Chair Deldin inquired whether there were any additional invoices to be approved. Ms. Schave advised that there were two (2<sup>nd</sup> Quarter for Yousif Capital Management - \$9,311.97 and 2<sup>nd</sup> Quarter for Wells Fargo - \$13,750.00). She requested these be added to today's approvals.

*A motion was made by Trustee Cutler, supported by Trustee Haugh to approve the invoices as presented with the addition of the Yousif Capital Management and Wells Fargo invoices. The motion carried.*

**5. Public Participation**

None

**6. EnTrust Global Annual Update – Gregg Hymowitz, Sophia Mullen, Warren Tolman, David Flynn**

Chair Deldin requested to move the EnTrust presentation up in the agenda since the EnTrust team members were joining remotely. The Board had no objections.

Mr. Warren Tolman, Mr. Gregg Hymowitz and Ms. Sophia Mullen joined the meeting remotely via Webex to present the Board with an update on their investment with EnTrust. Mr. David Flynn was present in person. Mr. Tolman noted that Mr. Flynn is a new addition to the EnTrust team and they believe his presence locally will be of great benefit to both EnTrust and their clients in Michigan. Mr. Hymowitz began with a very brief introduction and turned the presentation over to Ms. Mullen for further discussion. Ms. Mullen gave a high level overview of their strategy in opportunistic co-investments.

Mr. Hymowitz continued the presentation and advised that due to massive dislocation they found significant opportunities for co-investments, especially during the early days of COVID. They had capital available and were able to put it to work very quickly. They have made nine new investments so far during COVID and those have generated a gross return of about 39%. He also discussed the 2020/2021 key performance drivers for the Retirement System's investments. Mr. Hymowitz also reviewed performance for both the realized and unrealized co-investments the Retirement System is involved in through Funds III and IV. He thinks that going forward they are going to see more significant opportunities related to the dislocations that COVID continues to present. They are continuing to raise capital for co-investments and have launched another opportunistic vehicle.

Ms. Mullen provided some additional information related to outlook and sourcing. She stated that in any given year, they look at close to 200 potential co-investment ideas and end up investing in 5-8% of those. The appendix of the presentation has write ups of specific examples. She concluded by discussing a general example of an investment that doesn't work and an example of one that has been successful.

*A motion was made by Trustee Rocca, supported by Vice-Chair Santo to receive and file the EnTrust Global annual update. The motion carried.*

## **7. Retirement Administrator Report**

Ms. Dobson reported that there are still 13 individuals who have not responded to the 2021 Annual Signature Verification. They are slated to have their pension suspended September 1<sup>st</sup> if they do not meet the deadline tomorrow. Her office has been calling, texting, and emailing trying to reach out to these individuals any way they can. Retiree Representative Brumbaugh has also been reaching out. She added that someone who had been suspended in 2020 has now come forward and will have their pension reinstated September 1<sup>st</sup>. She added that nothing further has been received related to the person whose pension was suspended in 2011.

Ms. Dobson also advised the Board that the Retirement Services Survey is now electronic and they have been receiving good response and overall individuals are indicating that they are very satisfied with the level of service they are receiving. Her office also sent out an email to over 2,000 retirees to inquire whether or not they would like to move forward with the Retiree Holiday Luncheon this year. She stated that over 60% responded that they would like to postpone one more year due to COVID concerns. Zuccaro's has agreed to move their deposit forward to 2022.

Retiree Representative Brumbaugh had a few comments related to the topics Ms. Dobson just discussed. He noted that he has talked to a couple of individuals about the Annual Signature Verification process and there are a few that have been struggling to get that completed. He hopes that they can be given some grace given that they are aware that these individuals are alive and are simply having a hard time being able to complete the necessary documents for a variety of reasons. He also noted that the Retirees Association will be having their annual luncheon in September. He is not sure how much response they have had yet, but he will keep the Board posted on attendance.

**a. Pension Recipient Verification Policy and Procedure - DRAFT**

Trustee Grix and Mr. Smigiel had some questions and suggestions for changes to the draft policy. Ms. Dobson will make some revisions and bring an updated draft back to the Board at a future meeting.

Mr. Smigiel asked Mr. Michaud if the Retiree Health Care Board should also have a similar policy in place for the suspension of health care benefits. Mr. Michaud said that it could essentially be the same policy, but a separate action.

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

**8. Unfinished Business**

Trustee Rocca inquired about the special election coming up to fill the remainder of former Trustee Matthew Murphy's term. Chair Deldin indicated that the process is in motion. Ms. Schave confirmed that the email went out last Friday and interested individuals have until August 27<sup>th</sup> to request a Self-Nomination Form. To date, there have been no requests made.

**9. New Business**

None

**10. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Rocca, supported by Trustee Grix to adjourn the meeting at 9:20 a.m. The motion carried.*