

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, October 13, 2022**

A meeting of the Retirement Board was held on Thursday, October 13, 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, Michael Grix, Larry Rocca, Larry Lee, Daniel Willis, George Brumbaugh

**Excused:**

**Also Present:**

Stephen Smigiel, Joe Biondo, Christina Miller, Cindy Mitchell, Andrew McKinnon, Tom Michaud, Mike Holycross, Gary Cutler

**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 September 22, 2022**

*A motion was made by Trustee Rocca, supported by Trustee Haugh to approve the minutes from September 22, 2022 as presented. The motion carried.*

**4. Approval of Invoices**

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

**5. Public Participation**

None

**6. Robert W. Baird & Company Annual Update – Mark Hawthorne**

Mr. Mark Hawthorne joined the meeting to provide the Board with an update on their investment with Robert W. Baird & Company. He gave a brief introduction of the firm and distributed several handouts with “fresh information” for the Board to review. He discussed Baird’s portfolio management and net returns as of September 30<sup>th</sup>. He also reviewed characteristics of the portfolio as of August 31<sup>st</sup> and noted that spreads have widened. Mr. Hawthorne also answered some questions from Trustees Haugh and Rocca, as well as Mr. Cutler and Mr. Holycross.

*A motion was made by Trustee Haugh supported by Trustee Rocca to receive and file the Robert W. Baird & Company Annual Update. The motion carried.*

**7. Analyst Report – Gary Cutler**

Mr. Cutler advised that Nantucket’s invitation to their upcoming meeting remains open. It will be held at Cranbrook on October 25<sup>th</sup>. He discussed a few of the recent meetings he has attended and what is coming up on his schedule. He will be heading for New York for a few additional meetings prior to the EnTrust Investment Summit next week.

*A motion was made by Trustee Haugh, supported by Trustee Grix to receive and file the Analyst Report provided by Mr. Cutler. The motion carried.*

**8. Retirement Services Report – Cindy Mitchell**

Ms. Mitchell reported that the open enrollment information has been mailed out to retirees. She also advised that there are still three individuals who have not returned the Annual Signature Verification. Their pensions remain suspended.

*A motion was made by Trustee Grix, supported by Trustee Willis to receive and file the Retirement Services Report. The motion carried.*

**9. Disability Retirement**

**a. Lennice Bursey (Re-examination Opinion)**

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

*A motion was made by Trustee Grix, supported by Trustee Rocca that based on the Medical Director’s opinion, the continuation of the disability retirement of Lennice Bursey should be approved and the following resolution should be adopted:*

**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**, Lennice Bursey was granted a disability retirement on December 11, 2009, 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 Lennice Bursey 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 Barry Leshman, D.O., which states that Lennice Bursey 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 Lennice Bursey 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 Lennice Bursey 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 Lennice Bursey and all other appropriate parties.

*The motion carried.*

**10. Unfinished Business**

**a. Supplemental Retirement Payment Discussion (continued)**

Secretary Smigiel provided the Board with a handout showing calculations for a sample payout of just under \$716,000 at \$11 per point based on the formula that had previously been established by the Board of Commissioners. There were some questions about how beneficiary and EDRO payments would be administered and Secretary Smigiel advised that the actuary had confirmed that this would be considered an "unanticipated expense" that would need to be paid back into the system across the next 12 years.

Vice-Chair Santo expressed his hesitance to move forward with this given that Roads is still not yet 100% funded. Mr. McKinnon asked if anyone had been in touch with Martha T. Berry since this would also affect them (even though they are substantially overfunded). Secretary Smigiel indicated he would reach out to Mr. Evans.

Retiree Representative Brumbaugh made a few additional requests in regards to this potential payment. He requested that this be extended to all retirees (not just though 65 and over). He also suggested a different point system with more weight being given to the years of service. Additionally, he proposed a higher dollar value per point (\$14 versus \$11).

The Board discussed all of the information presented today and a few more questions were asked of Mr. Michaud and Secretary Smigiel. Mr. Holycross was also given an opportunity to weigh in from the investment side.

*A motion was made by Chair Deldin supported by Trustee Willis to pay out supplemental payments totaling roughly \$716,000 using the point value and formula discussed today. A roll call vote was requested by Trustee Haugh. Deldin – YES, Haugh – YES, Rocca – YES, Grix – YES, Santo – NO, Lee – YES, Willis – YES. The motion carried 6-1.*

Secretary Smigiel advised that he will touch base with Ms. Mitchell to prepare a payment file and coordinate with Chair Deldin the information to be presented to the Board of Commissioners. He believes the next Finance Committee meeting is scheduled for November 21<sup>st</sup>.

**11. New Business**

None

**12. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Haugh, supported by Trustee Willis to adjourn the meeting at 10:07 a.m. The motion carried.*