

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, May 18, 2023**

A meeting of the Retirement Board was held on Thursday, May 18, 2023 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, Michael Grix, Dan Willis, Ken Willis

**Excused:**

**Also Present:**

Stephen Smigiel, Cindy Mitchell, Joe Biondo, 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.

Chair Deldin requested a moment of silence be observed for the passing of Board friend and colleague George Brumbaugh.

**2. Adoption of Agenda**

Chair Deldin requested one amendment to the agenda. He would like to move item #12a up to #8 as Secretary Smigiel has another obligation that will require him to be excused from the meeting early. The Board members had no objections.

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to adopt the agenda as amended by Chair Deldin. The motion carried.*

**3. Approval of Minutes from May 4, 2023**

*A motion was made by Trustee Grix, supported by Trustee Dan Willis to approve the minutes from May 4, 2023 as presented. The motion carried.*

**4. Approval of Invoices**

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

**5. Public Participation**

None

**6. Adams Street Annual Update – Craig Waslin, Jennifer Brown**

Mr. Craig Waslin and Ms. Jennifer Brown joined the meeting in-person to provide the Board with an update on their investment with Adams Street. Ms. Brown introduced the firm and discussed their co-investment strategy. She also provided a brief history of the firm and noted that they have five main businesses and are 100% employee owned.

Mr. Waslin introduced himself and described some of the advantages of co-investment. He discussed differentiators and proven selectivity. Adams Street has a team of over 90 individuals and an excellent long-term track record. He gave an update on Fund V which had its final close in October 2022. He discussed some investment names and provided an update on the Retirement System's portfolio as of December 31, 2022. Mr. Holycross asked a few questions and Ms. Brown and Mr. Waslin responded.

*A motion was made by Vice-Chair Santo, supported by Trustee Grix to receive and file the Adams Street Annual Update. The motion carried.*

**7. Portfolio Advisors Annual Update – Matthew Lucas, Ben Hur**

Mr. Matthew Lucas and Mr. Ben Hur joined the meeting via Webex to provide the Board with an update on their investment with Portfolio Advisors. Mr. Hur provided a brief introduction and an investment update. He discussed trends in the market and their highly selective approach to co-investing. He stated they have a very attractive risk return profile and a consistent strategy. Mr. Hur also provided a portfolio update as of December 31, 2022 and indicated they are still raising funds for their new Fund V.

*A motion was made by Trustee Dan Willis, supported by Trustee Grix to receive and file the Portfolio Advisors Annual Update. The motion carried.*

**8. Unfinished Business**

**a. Administrative Policy Committee Update**

Secretary Smigiel presented proposed updates on two policies for the Board's consideration.

The first is a clarification to the Supplemental Payment Policy. The update provides for clarification that no points are earned towards retirement during a participant's time in the DROP program and that points only begin to accumulate for retirement once an individual has actually left the employ of the County and is drawing a monthly pension check.

*A motion was made by Trustee Rocca, supported by Trustee Dan Willis to adopt this clarification to the Supplemental Payment Policy as provided by Secretary Smigiel and the Administrative Policy Committee. The motion carried.*

Secretary Smigiel also discussed the proposed changes to the Education/Code of Conduct/Due Diligence Policy. The Code of Conduct language was added to this policy to eliminate the need for a separate policy addressing that. The need to attend a minimum of 75% of a conference's sessions and obtain a certificate was eliminated as well as the requirement to provide copies of handouts from conferences or trainings. Board members will give an oral report at the meeting after they attend a session and attendance at all future fund manager meetings or due diligence sessions will be based upon the recommendation of the Board's Investment Consultant.

*A motion was made by Trustee Rocca, supported by Trustee Dan Willis to adopt the amendments to the Education/Code of Conduct/Due Diligence Policy as proposed by the Secretary Smigiel and the Administrative Policy Committee. The motion carried.*

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

Ms. Mitchell reported they are working on the Annual Signature Verification. She estimates that there are about 450 that have not yet been returned, but staff is still working their way through the ones that have come back. Another reminder will go out to those who have not responded sometime in June.

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

**10. Investment Consultant Report – Mike Holycross**

Mr. Holycross had nothing formal to report today.

**11. Analyst Report – Gary Cutler**

Mr. Cutler advised that he had nothing formal to report today, but reminded the Board that the annual Spring MAPERS Conference is coming up this weekend. He will be in attendance.

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

**12. Legal Report – Tom Michaud**

Mr. Michaud had two items to report. The first is that a complaint has been filed with the Court by Mr. Derek Miller.

*A motion was made by Trustee Grix, supported by Trustee Dan Willis to authorize Mr. Michaud to respond to the complaint on the Board's behalf. The motion carried.*

Mr. Michaud also advised that as a result of the recent bank failures, the Retirement System had a loss through a holding with Reinhart Partners and Signature Bank. He has petitioned the Court to take an active role in the case, but the Retirement System was not the entity with the largest loss and will not be lead plaintiff but still a party to the case.

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to concur with Mr. Michaud's recommendation for action and authorize him to pursue protecting the Board's interests. The motion carried.*

**13. New Business**

**a. Testimonial Resolution of Appreciation for George Brumbaugh**

Chair Deldin thanked Mr. Michaud and his firm for preparing the provided resolution on behalf of the Board recognizing the dedication of former Retiree Representative Brumbaugh. He requested a copy of the resolution be printed with the Board's signatures and presented to Mrs. Brumbaugh and family.

Ms. Schave passed around a copy of the resolution for the trustee's signatures. She will see that it is framed and sent to Mrs. Brumbaugh on behalf of the Board.

*A motion was made by Trustee Rocca, supported by Trustee Ken Willis to support the resolution as presented. The motion carried.*

**14. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Haugh, supported by Trustee Dan Willis to adjourn the meeting at 9:42 a.m. The motion carried.*