

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, July 27, 2023**

A meeting of the Retirement Board was held on Thursday, July 27, 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:**

Carol Grant

**Also Present:**

Cindy Mitchell, John Schapka, Joe Biondo, 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 Haugh, supported by Trustee Grix to adopt the agenda. The motion carried.*

**3. Approval of Minutes from June 15, 2023**

*A motion was made by Vice-Chair Santo, supported by Trustee Dan Willis to approve the minutes from June 15, 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. Intercontinental Real Estate Corporation Annual Update – Ross Vaillancourt**

Mr. Ross Vaillancourt joined the meeting in-person to provide the Board with an update on their investment with Intercontinental Real Estate. He briefly introduced himself and the firm and noted that they currently have approximately \$14.2 billion in assets under management. He reviewed Intercontinental's ESG policy and a partial investor list. He discussed the status of their redemption queue and some investment highlights.

Mr. Vaillancourt also examined performance for the Retirement System and discussed the diversification of the portfolio. They are looking to reduce their exposure to office and are over-weight multi-family. Mr. Cutler and Mr. Holycross each asked some questions and Mr. Vaillancourt responded.

*A motion was made by Trustee Ken Willis, supported by Trustee Haugh to receive and file the update provided by Intercontinental Real Estate Corporation. The motion carried.*

**7. Bloomfield Capital Annual Update – Jason Jarjosa, Mike Lucci**

Mr. Jason Jarjosa and Mr. Mike Lucci joined the meeting in-person to provide the Board with an update on their investment with Bloomfield Capital. Mr. Lucci introduced himself and Mr. Jarjosa. Mr. Jarjosa provided an overview of their firm and noted that they have low exposure in the office sector. He discussed the history of their funds (I through V) and indicated that Funds II and III are currently in wind down. Mr. Jarjosa reviewed performance as of March 31, 2023 and examined several examples of investments from their portfolio (manufactured housing, skilled nursing and industrial). Mr. Cutler, Mr. Holycross and Trustee Rocca asked some questions and Mr. Jarjosa responded.

*A motion was made by Vice-Chair Santo, supported by Trustee Ken Willis to receive and file the update provided by Bloomfield Capital. The motion carried.*

**8. Disability Retirements**

**a. David DeRosia (Re-examination Opinion)**

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

*A motion was made by Trustee Grix, supported by Trustee Dan Willis that based on the Medical Director's opinion, the disability retirement of David DeRosia should be continued, 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**, David DeRosia was granted a disability retirement on April 14, 2022, 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 David DeRosia 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 8, 2023, which states that David DeRosia 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 David DeRosia 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 David DeRosia 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 David DeRosia and all other appropriate parties.

*The motion carried.*

**b. Michael Ureel (Re-examination Opinion)**

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

*A motion was made by Trustee Grix, supported by Trustee Dan Willis that based on the Medical Director's opinion, the disability retirement of Michael Ureel should be continued, 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**, Michael Ureel was granted a disability retirement on May 15, 2006, 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 Michael Ureel 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 9, 2023, which states that Michael Ureel 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 Michael Ureel 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 Michael Ureel 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 Michael Ureel and all other appropriate parties.

*The motion carried.*

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

Ms. Mitchell reported the numbers on the Activity Report are consistent with this same time last year. She noted that there are still 45 individuals who have not returned the Annual Signature Verification. Her office is working on making phone calls and sending emails to those individuals to encourage compliance. She is hoping to set the deadline for suspension with the September pension payment (meaning mid-August) due to the impending switch to Workday but can extend that out if necessary.

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

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

Mr. Holycross had no formal report today, but provided an update on current market conditions and briefly discussed the impact of interest rates and inflation.

*A motion was made by Vice-Chair Santo, supported by Trustee Grix to receive and file the Investment Consultant Report provided by Mr. Holycross. The motion carried.*

**11. Analyst Report – Gary Cutler**

Mr. Cutler advised the Board that as a retiree he "tested" the process for the Annual Signature Verification. He ignored the first notice and waited to see how many additional notifications he would receive. He received a second notice and then also a voicemail reminding him that he needed to return the document. He indicated that the written instructions and letters were straightforward and that the process seems simple and easy to comply with. He is now in compliance with the requirement.

Mr. Cutler also reviewed the reports he submitted to the Board for May and June and noted that some of the names of managers he has been meeting with may appear multiple times as he does additional research with Mr. Holycross. He also noted that Edgewood recently sold one of the names in their portfolio and no longer have 22 (down to 21 now).

*A motion was made by Trustee Rocca, 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 nothing official to report today.

**13. Upcoming Conferences/Events**

- a. **Capital Dynamics US Investor Meeting – Manalapan, FL – October 23-25, 2023**
- b. **MAPERS 2023 Fall Conference – Shanty Creek Resort – September 9-12, 2023**
- c. **Constitution Capital Partners – SAVE THE DATE – Palm Beach, FL – May 20-22, 2024**
- d. **TerraCap – SAVE THE DATE – Naples, FL – February 28-March 1, 2024**

The Board was provided with the information available regarding the above events. Chair Deldin requested that the Constitution Capital Partners (item c) and TerraCap (item d) information be re-added to a future agenda in September since those notices were only “save the dates” for those events to be held in 2024.

Mr. Holycross provided a recommendation in support of sending members to attend the Capital Dynamics investor meeting. Capital Dynamics is a relatively new manager for the Retirement System, and he feels it would be worthwhile for the Board to meet with them.

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to approve Board member and staff attendance and related expenses for the Capital Dynamics US Investor Meeting and the MAPERS 2023 Fall Conference. The motion carried.*

Ms. Schave will send out emails to find out who is interested in attending those two events (a and b).

**14. Unfinished Business**

None

**15. New Business**

None

**16. 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 9:46 a.m. The motion carried.*