

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, September 7, 2023**

A meeting of the Retirement Board was held on Thursday, September 7, 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, Wendy Fisher

**Excused:**

**Also Present:**

John Schapka, Christina Miller, Skip Maccarone, Jennifer Smiley, 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**

Chair Deldin requested an amendment to today's agenda. He asked that a Closed Session to discuss legal items be added after agenda item #10 (Analyst Report). The Board members had no objections.

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

**3. Approval of Minutes from August 24, 2023**

*A motion was made by Vice-Chair Santo, supported by Trustee Grix to approve the minutes from August 24, 2023 as presented. The motion carried.*

**4. Approval of Invoices**

There were no invoices presented for payment today.

**5. Public Participation**

None

**6. ABS Annual Update – Sean White, Chris Carmody**

Mr. Sean White and Mr. Chris Carmody joined the meeting in-person to provide the Board with an update on their investment with ABS. Mr. White provided an update on their firm and noted that not much has changed with their assets under management. He briefly discussed their product information and discussed the 2023 market environment and their expectations going forward.

He provided an analysis of the market in China and noted that much of the volatility is linked to sentiment. Mr. While also examined their outlook outside of China. He looked at risk and return contributions as well as performance by strategy. He answered some questions from Mr. Holycross and the trustees and provided a very brief update on the global portfolio.

*A motion was made by Trustee Ken Willis, supported by Trustee Grix to receive and file the update provided by ABS. The motion carried.*

**7. National Investment Services (NIS) presentation – Barb Schalla, Ray Caprio**

Ms. Barb Schalla and Mr. Ray Caprio joined the meeting in-person to provide the Board with information related to their company and the investment services they offer. Mr. Caprio provided a brief introduction of the team and firm and indicated that they have approximately \$8.5 billion in assets under management. He noted that their client list is 100% institutional. Ms. Schalla discussed the teams experience and tenure and talked about their investment process (the four P's). They offer an Intermediate Fixed Income product, and she reviewed the characteristics of their portfolio as well as recent performance. She noted that their team is in constant communication with one another, and they have the flexibility to make changes very quickly. Ms. Schalla answered some questions from Mr. Holycross and the trustees.

*A motion was made by Trustee Ken Willis, supported by Trustee Rocca to follow Mr. Holycross' recommendation and allocate \$20 million to an investment in the NIS Intermediate Fixed Income portfolio pending review of the legal documents. The motion carried.*

*A motion was made by Trustee Grix, supported by Trustee Haugh to receive and file the presentation provided by NIS. The motion carried.*

**8. Retirement Services Report – Jennifer Smiley**

Ms. Smiley reported that there are still 17 individuals with outstanding Annual Signature Verifications. They have been in contact with 12 of those individuals and have sent out forms again, but at this point it looks like these 17 will have their pensions suspended for October. The deadline for suspension is September 15<sup>th</sup> (before the next Retirement Board meeting). Ms. Smiley also noted that the November pension will be issued through Workday, and her office is working on communication to send out related to the upcoming changes that will affect retirees.

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

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

- a. 2<sup>nd</sup> Quarter Performance Report**
- b. July Flash Report**

Mr. Holycross discussed the July Flash Report and reviewed performance through the end of July. The fund is up approximately 9.5% year-to-date. He also provided a market update and answered a question from Trustee Grix related to the Board's Wilton investment.

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

**10. Analyst Report – Gary Cutler**

Mr. Cutler reported that he had begun sending out the required annual compensation documents to the Board's fund managers and service providers about a month ago and they are coming in slowly. He will provide another update at the next meeting.

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

**11. Closed Session – legal items**

*A motion was made by Trustee Ken Willis, supported by Trustee Grix to enter Closed Session to discuss two legal issues. A roll call vote was taken with all members responding affirmatively. The motion carried.*

After discussion, the Board returned to Open Session.

*A motion was made by Trustee Dan Willis, supported by Trustee Ken Willis to authorize the implementation of the Court Order as presented to the Board in Closed Session. The motion carried.*

*A motion was made by Trustee Haugh, supported by Vice-Chair Santo to authorize action on the Charles River securities litigation matter discussed in Closed Session. The motion carried.*

**12. Legal Report – Tom Michaud**

Mr. Michaud had nothing to report today.

**13. Unfinished Business**

None

**14. New Business**

Ms. Smiley inquired whether it would be possible to have the Board review a disability retirement that they are expecting to receive the medical opinion on before the next Board meeting on September 21<sup>st</sup>. Mr. Michaud stated that the Board should follow their usual protocol for reviewing disability retirements and review this item at their next meeting.

Vice-Chair Santo requested that future retiree luncheons be scheduled so that they do not conflict with the MAPERS Conference. He is disappointed that he will be unable to attend the luncheon on September 12<sup>th</sup> as he usually does because he will be at MAPERS. Ms. Smiley explained that they began planning this luncheon very early and did not know the dates of the Fall Conference. Her office will make every effort to avoid conflicting with the MAPERS schedule moving forward. Dates for the future conferences will be provided to her.

**a. Nomination of delegates (2) for Fall 2023 MAPERS Conference**

*A motion was made by Trustee Haugh, supported by Trustee Rocca to name Chair Deldin and Vice-Chair Santo as the two delegates for the Fall 2023 MAPERS Conference. The motion carried.*

**15. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Haugh, supported by Trustee Grix to adjourn the meeting at 10:23 a.m. The motion carried.*