

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, November 16, 2023**

A meeting of the Retirement Board was held on Thursday, November 16, 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, John Schapka, Cindy Mitchell, Skip Maccarone, 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 Vice-Chair Santo, supported by Trustee Ken Willis to adopt the agenda as presented. The motion carried.*

**3. Approval of Minutes from November 2, 2023**

*A motion was made by Trustee Rocca, supported by Trustee Dan Willis to approve the minutes from November 2, 2023 as presented. The motion carried.*

**4. Approval of Invoices**

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

**5. Public Participation**

None

**6. Townsend / Penn Square Annual Update – Jeff Deal, Jose Calderon**

Mr. Jeff Deal and Mr. Jose Calderon joined the meeting in person to provide the Board with an update on their investment with Townsend / Penn Square. Mr. Deal introduced himself and Mr. Calderon and spoke briefly about their firm and its background. He talked about challenges in real estate and opportunities in residential housing and industrial. He provided an update on Penn Square Fund I and noted that it is fully wrapped up. Mr. Calderon gave an update on the TREA II fund and talked about the holdings in that portfolio. Mr. Deal examined current market conditions and answered a question from Trustee Grix.

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

**7. ValStone Partners Annual Update – Geoffrey Murray, Jerry Timmis**

Mr. Geoffrey Murray and Mr. Jerry Timmis joined the meeting in person to provide the Board with an update on their investment with ValStone Partners. Mr. Timmis discussed challenges within the portfolio particularly in the office space. He is in discussions with a firm to convert a very large office property in Columbus, Ohio to housing. He examined rough market conditions in the hospitality area as well and the effect of interest rates on the market. He noted that the bulk of the portfolio is in senior housing and constant turnover of residents is necessary to maintain acceptable census numbers. Trustee Haugh remarked that “affordable” is also a key word when it comes to senior housing.

Trustee Rocca indicated he appreciated Mr. Timmis’ honesty about current conditions and performance. He asked about his strategy and position moving forward. Mr. Timmis talked about his outlook for 2024 and how they plan to overcome their current challenges.

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

Trustee Haugh asked some questions of Mr. Holycross after the presentation concluded.

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

Ms. Mitchell reported Open Enrollment closes tomorrow and the retirees have done very well with the process this year. She also noted that all missing Annual Signature Verifications have now been submitted and the individuals who were delinquent have been paid up to date. Ms. Mitchell also reported that the new website is up and that all information from the previous site has been transferred over.

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

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

Mr. Holycross had nothing formal to report today. He wished everyone a “Happy Thanksgiving.”

**10. Analyst Report – Gary Cutler**

Mr. Cutler was not present at the meeting today but had supplied a written report for the Board’s review.

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

**11. Legal Report – Tom Michaud**

Mr. Michaud had nothing formal to report today and also wished everyone a “Happy Thanksgiving.”

**12. MCERS Benefit Payments & Contributions Report – 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> Quarters 2023**

Secretary Smigiel had to step away from the meeting and was unavailable to report on this item.

*A motion was made by Trustee Haugh, supported by Trustee Dan Willis to postpone discussion of this item until the next meeting. The motion carried.*

**13. Upcoming Conferences**

**a. Seizert Captial Partners – Holiday Party – December 5, 2023 – Bloomfield Hills, MI**

Chair Deldin noted that there is no action necessary for this item and that each Board member should have received an invitation to this event via their email.

**b. Constitution Capital Partners – SAVE THE DATE – Annual Meeting – May 2024 – Palm Beach, FL**

Chair Deldin requested this item be placed back on the agenda after the first of the year. This is just a “save the date” and no formal action needs to be taken at this time since the event is still so far out. Ms. Schave will add this item back to a meeting agenda in January 2024.

**14. Unfinished Business**

None

**15. New Business**

**a. 2024 Proposed Board meeting dates**

Mr. Holycross advised that he had not yet had a chance to review the proposed dates and will have to let Chair Deldin and Ms. Schave know if there are any conflicts. This item will be placed back on the November 30<sup>th</sup> meeting agenda under Unfinished Business.

**16. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Ken Willis, supported by Trustee Grix to adjourn the meeting at 9:22 a.m. The motion carried.*