

MINUTES OF THE RETIREMENT BOARD
Thursday, January 11, 2024

A meeting of the Retirement Board was held on Thursday, January 11, 2024 at 8:30 a.m. in the Administration Building, 9th 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, Dan Willis

Excused:

Ken Willis, Wendy Fisher

Also Present:

Stephen Smigiel, John Schapka, Cindy Mitchell, Christina Miller, 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 Trustee Deldin.

2. Election of Officers

a. Chair

Trustee Deldin called for nominations for Chair.

A motion was made by Trustee Haugh, supported by Trustee Dan Willis to nominate Mark Deldin as Chair. The motion carried.

There were no other nominations.

A motion was made by Trustee Haugh, supported by Vice-Chair Santo to close nominations. The motion carried.

Mark Deldin accepted and was unanimously elected Chair.

a. Vice-Chair

Chair Deldin called for nominations for Vice-Chair.

A motion was made by Trustee Dan Willis, supported by Trustee Haugh to nominate Bryan Santo for Vice-Chair. The motion carried.

There were no other nominations.

A motion was made by Trustee Haugh, supported by Trustee Dan Willis to close nominations. The motion carried.

Bryan Santo accepted and was unanimously elected Vice-Chair.

3. Adoption of Agenda

A motion was made by Trustee Grix, supported by Trustee Dan Willis to adopt the agenda as presented. The motion carried.

4. Approval of Minutes from December 14, 2023

A motion was made by Vice-Chair Santo, supported by Trustee Grix to approve the minutes from December 14, 2023 as presented. The motion carried.

5. Approval of Invoices

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

6. Public Participation

None

7. Disability Retirement

a. Erika Lojko – Re-examination Opinion

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

A motion was made by Trustee Grix, supported by Vice-Chair Santo that based on the Medical Director’s opinion, the continuation of the disability retirement of Erika Lojko 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, Erika Lojko was granted a disability retirement on November 10, 2021, 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 Erika Lojko 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 December 13, 2023, which states that Erika Lojko 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 Erika Lojko 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 Erika Lojko 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 Erika Lojko and all other appropriate parties.

The motion carried.

8. Retirement Services Report – Cindy Mitchell/Jennifer Smiley

Ms. Mitchell noted that they are still working on the Workday transition. She indicated that the pension checks for January had no issues, and they have encountered very few glitches recently.

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

9. Investment Consultant Report – Mike Holycross

a. MCERS Draft Investment Policy Statement – January 2024

Mr. Holycross presented the Board with a proposed draft of an updated Investment Policy Statement. The Private Debt target of 5% has been added to the list of target allocations. This 5% comes from Domestic Equity and investments in Private Debt will be made slowly until the new target allocation is met.

A motion was made by Trustee Haugh, supported by Vice-Chair Santo to adopt the revised Investment Policy Statement as presented by Mr. Holycross. The motion carried.

10. Analyst Report – Gary Cutler

Mr. Cutler advised that one of the company names listed on his December report (included in the Board's packets) was incorrect. He provided the correct name and gave a little more information about them. He also offered to answer any questions for the Board.

A motion was made by Trustee Dan Willis, supported by Trustee Grix to receive and file the Analyst Report. The motion carried.

11. Legal Report – Tom Michaud

a. Securities Actions

Mr. Michaud provided the Board with some education regarding what types of investment issues might result in securities litigation and what investors can do in certain circumstances when stocks lose value. He

noted that there is a portfolio monitoring program in place that continually examines the Board's investments for losses that might be related to securities issues and further review is conducted if a significant loss is found. He explained the process for filing a complaint and what is meant by "lead plaintiff" status. These are class action lawsuits, and any recovery is handled on a contingency basis.

A motion was made by Trustee Haugh, supported by Trustee Rocca to receive and file the Legal Report provided by Mr. Michaud. The motion carried.

12. Upcoming Conferences

a. Constitution Capital Annual Meeting – May 20-24, 2024 – Palm Beach FL

Chair Deldin asked Mr. Holycross to provide some information about the Board's investment relationship with Constitution Capital. Mr. Holycross indicated that while it is early, they have had solid investment returns so far. Ms. Schave noted that this meeting does overlap with the Spring MAPERS Conference dates and the Board noted that registration is not yet open for that event so they may need to wait until they have more information about both before deciding which (if either) to attend.

A motion was made by Trustee Haugh, supported by Vice-Chair Santo to approve Board member and staff attendance and expenses related to the Constitution Capital Annual Meeting. The motion carried.

13. Unfinished Business

Secretary Smigiel advised the Board that the Administrative Policy Committee is meeting immediately following the conclusion of this meeting to discuss the draft policy related to the Open Meetings Act amendments. They anticipate presenting it to the Board at their next meeting.

14. New Business

None

15. 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 8:52 a.m. The motion carried.