

MINUTES OF THE RETIREMENT BOARD
Thursday, March 21, 2024

A meeting of the Retirement Board was held on Thursday, March 21, 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, Dan Willis, Ken Willis, Wendy Fisher

Excused:

Larry Rocca

Also Present:

Stephen Smigiel, Cindy Mitchell, Skip Maccarone, Christina Miller, Tom Michaud, Gary Cutler, Mike Holycross, Andrew McKinnon

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 Dan Willis, supported by Trustee Haugh to adopt the agenda as presented. The motion carried.

3. Approval of Minutes from March 7, 2024

A motion was made by Vice-Chair Santo, supported by Trustee Grix to approve the minutes from March 7, 2024 as presented. The motion carried.

4. 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.

5. Public Participation

None

6. Reinhart Partners Annual Presentation – Brent Jesko

Mr. Brent Jesko joined the meeting in person to provide the Board with an update on their investment with Reinhart Partners. He introduced himself and provided a brief update on the firm noting that there had been some employee promotions from within in January. He discussed performance highlights and stated that Q1 2023 had been tough due to the banking/financial situation. Mr. Jesko answered some questions from Mr. Holycross and Mr. Cutler and reviewed examples of a few of the names that had been purchased recently. They are up 4% year-to-date, just behind the benchmark.

A motion was made by Trustee Haugh, supported by Trustee Grix to receive and file the Reinhart Partners Annual Presentation. The motion carried.

7. Cramer Rosenthal McGlynn Annual Presentation – Brian Harvey, Harris Swenson

Mr. Brian Harvey and Mr. Harris Swenson joined the meeting in person to provide the Board with an update on their investment with Cramer Rosenthal McGlynn. Mr. Swenson introduced himself and Mr. Harvey and examined performance as of December 31, 2023 and through 2024 so far. Mr. Harvey discussed earnings growth expectations in 2024 and Mr. Swenson reviewed their top 10 holdings. They also distributed a handout to the Board members and discussed the information provided. Mr. Swenson and Mr. Harvey also answered some questions from Mr. Cutler and Mr. Holycross.

A motion was made by Vice-Chair Santo, supported by Trustee Ken Willis to receive and file the Cramer Rosenthal McGlynn Annual Presentation. The motion carried.

8. Retirement Services Report – Cindy Mitchell/Jennifer Smiley

Ms. Mitchell reported that the date for the Retiree Luncheon has been moved back to December and will be held on the 10th this year. She also noted that the letters for the Dependent Audit will be going out the first week in April. These will be sent to approximately 350 retirees. The Annual Signature Verification will be done in June.

Trustee Haugh asked if there are ever any notifications sent out to the retirees to review their Medicare statements. He was recently the victim of fraud and noted that it might be important to let people know to look closely at the information they receive. Ms. Mitchell indicated this is not something they normally communicate but it might be worth putting in the Retiree Association's newsletter. Ms. Fisher agreed.

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

9. Investment Consultant Report – Mike Holycross

Mr. Holycross had nothing formal to report today. He briefly discussed an on-site visit to the AndCo home office in Florida with Mr. Cutler.

A motion was made by Trustee Dan Willis, supported by Trustee Grix to receive and file the Investment Consultant Report provided by Mr. Holycross. The motion carried.

10. Analyst Report – Gary Cutler

Mr. Cutler discussed again the importance of having both passive and active investments. He examined the presentations given by the managers today and indicated that they have done what they were hired to do. Mr. Cutler also noted again how impressed he is with AndCo and that he spoke to multiple people when he and Mr. Holycross were on-site at the home office in Florida. They have a very deep bench and an extremely knowledgeable team.

A motion was made by Vice-Chair Santo, supported by Trustee Ken Willis to receive and file the Analyst Report provided by Mr. Cutler. The motion carried.

11. Legal Report – Tom Michaud

Mr. Michaud provided an update on the Derek Miller litigation and indicated that the Judge in the matter has requested the Retirement Board hold a hearing. This matter will be scheduled for the April 18th meeting, so the full Board has an opportunity to be present.

Trustee Haugh requested a summary page of all ongoing litigation be provided to the Board at a future meeting. Mr. Michaud indicated that those are made available quarterly and he will make sure the Board receives an updated summary soon. He also noted that the PG&E settlement checks have been received and that matter is now closed.

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

12. Unfinished Business

Trustee Haugh requested that the update on the TerraCap research being done by AndCo remain on the agenda until complete. Ms. Schave will add this to future meeting agendas.

13. New Business

None

14. Adjournment

There being no further business before the Board, a motion was made by Trustee Haugh, supported by Trustee Ken Willis to adjourn the meeting at 9:26 a.m. The motion carried.