

**OAKLAND COUNTY EMPLOYEES'
RETIREMENT AND DEFERRED COMPENSATION BOARD MINUTES**

The Oakland County Retirement and Deferred Compensation Board meeting was held April 28, 2022 at 1:31 p.m. in the West Conference Room of the L. Brooks Patterson Building.

I. Call to Order/ Roll Call

Members Present:

James VanLeuven, Jeff Phelps, Joe Rozell, Dave Woodward,
Kyle Jen, Gwen Markham, Brian Partogian

Members Absent: Robert Wittenberg, Dion Stevens
with notice

Others Present:

Carly Webster, Human Resources
Kelly Pena, Human Resources
Karen Skupin, Human Resources
Aaron Castle, VanOverbeke, Michaud & Timmony, P.C.
Louise Gate, GRS
Chris Kuhn, AndCo
Peter Brown, AndCo

II. Approval of the Agenda

A. Moved by Partogian, seconded by Van Leuven to approve the agenda, as submitted. Motion carried.

III. Public Comment

None

IV. Regular Agenda

A. Moved by Phelps, seconded by Woodward to approve the minutes of March 17, 2022. Motion carried.

B. Retirements

1. Moved by Van Leuven, seconded by Phelps to approve the following Defined Benefit application. Motion carried.

Name	Department	Effective
Patricia Norris Terrell	Alternate Payee-Mark Snider	3/1/2022

2. Moved by Van Leuven, seconded by Partogian to approve the following Defined Contribution applications. Motion carried.

Name	Department	Effective
Mark Adams	Planning & Economic Development	4/16/2022
Patricia Croney	Friend of the Court	4/22/2022
Michael Diaz	Sheriff's Office	4/19/2022
Ann Grady	Management & Budget	4/30/2022
Michael Hand	Circuit Court	4/2/2022
*Denise Langford-Morris	Circuit Court	4/16/2022
Jane McCarron	Circuit Court	4/30/2022
Carolyn Padro	Health	5/4/2022

Bryan Smith
*date correction

FM&O

4/6/2022

V. Reports

- A. Chris Kuhn and Peter Brown of AndCo Consulting presented the following reports and provided comments summarizing highlights contained in each:
- Oakland County Employees' Retirement System (ERS) Monthly Flash Report Period Ending March 31, 2022
 - Oakland County Employees' Retirement System (ERS) Asset / Manager Summary Period Ending April 14, 2022

Moved by Van Leuven, seconded by Woodward to proceed with the recommendation of AndCo to rebalance the portfolio by transferring \$5 million from Leeward Small Value, Pictet International Equity and MS Prime Property RE accounts to the Cash/Liquidity VTHRX account. Motion carried.

Moved by Markham, seconded by Woodward to accept the language proposed by AndCo, officially denouncing the actions taken by Russia against Ukraine and supporting the effort to divest the assets from investments in Russian securities, that will be sent to investment managers on board letterhead. Motion carried.

- B. Moved by Phelps, seconded by Van Leuven to receive and file the minutes of the April 28, 2022 Investment Subcommittee.

Trustee Van Leuven amended the minutes by correcting the motions under New Business item D. to read "...allocating 2.5%, reduce the allocation to ABS Long/Short fund to 2.5%" and in the following motion, "...reduce the allocation to Lazard to 3.5%..."

Motion carried, as amended.

Chris Kuhn of AndCo summarized the Collateralized Loan Obligations ("CLOs") presentation by Loomis Sayles and the recommendation of the Investment subcommittee to invest in the Core Plus strategy.

Moved by Van Leuven, seconded by Partogian to authorize Loomis Sayles to invest assets of the Oakland County Employees' Retirement System (OCERS) in the New Hampshire Investment Trust (NHIT) CLO Trust, pending legal review. Motion carried.

Chris Kuhn of AndCo summarized the International Equity Manager Analysis and the Emerging Markets Manager Analysis and the recommendations of the subcommittee.

Moved by Van Leuven, seconded by Jen to terminate Pictet EAFE Equity, hire and allocate 3.5% to HGK International Equity, allocate 3% to the Fidelity International Index fund and reduce the allocation to Lazard to 3.5%, pending legal review. Motion carried.

Moved by Van Leuven, seconded by Phelps to hire ABS Emerging Market Strategy with a 2.5% allocation which will be funded by reducing the allocation to the ABS Long/Short fund to 2.5%, pending legal review. Motion carried.

- C. Moved by Partogian, seconded by Markham to receive and file the DB/DC Quarterly report. Motion carried.
- D. Moved by Phelps, seconded by Jen to receive and file the April 2022 Administrator's Report and to approve the recommendation by Secretary Webster to authorize the use \$350,012 RHS forfeitures and \$585,987.76 of 401a forfeitures to offset employer contributions. Motion carried.
- E. Aaron Castle of VanOverbeke, Michaud & Timmony, P.C. (VMT) provided an update on legal matters.

Moved by Van Leuven, seconded by Phelps to receive and file the April 2022 update on securities litigation by Miller Law Firm and the Legal Report. Motion carried.

VI. Unfinished Business

None

VII. New Business

- A. Louise Gates of GRS presented the Annual Actuarial Valuation Report as of September 30, 2021.

Moved by Phelps, seconded by Markham to receive and file the Annual Actuarial Valuation Report as of September 30, 2021. Motion carried.

Moved by Woodward, seconded by Partogian to authorize the following transfers:

	<u>General County</u>	<u>Command Officers</u>	<u>Sheriff Deputies*</u>	<u>Total</u>
Retiree Liability	\$497,635,630	\$ 52,952,151	\$133,322,351	\$683,910,132
Retiree Reserve	<u>438,099,387</u>	<u>43,534,828</u>	<u>118,143,850</u>	<u>599,778,065</u>
Difference	\$ 59,536,243	\$ 9,417,323	\$ 15,178,501	\$ 84,132,067

Motion carried.

- B. Moved by Van Leuven, seconded by Jen to approve the post retirement defined benefit pension increase of 1.5% of the original pension amount, for those who retired before May 1, 2021. Motion carried.
- C. Moved by Van Leuven, seconded by Jen to receive and file Secretary Webster's memo to the Board of Commissioners, with the required reporting for State of Michigan Public Act 202 of 2017 - 2021 Annual Report for the pension and retiree healthcare programs. Motion carried.
- D. Moved by Van Leuven, seconded by Partogian to receive and file the 2021 Annual Report. Motion carried.
- E. Moved by Woodward, seconded by Phelps to approve the VanOverbeke, Michaud & Timmony, P.C. Invoices No. 111310 - 111313 in the combined amount of \$5,531.50 for legal services. Motion carried.

VIII. Trustee Comment

- A. Chairperson Rozell noted the next meeting of this Board – Thursday, May 12, 2022.

- B. Chairperson Rozell noted there will be a meeting of the Investment Subcommittee – Thursday, May 12, 2022 at 10:00 a.m.
- IX.** Without objection, Chairperson Rozell adjourned the meeting at 2:55 p.m.

Respectfully submitted,

Joseph Rozell, Chairperson

Carly Webster, Secretary