

**MINUTES  
OF THE CITY OF ST. CLAIR SHORES  
GENERAL EMPLOYEES' PENSION BOARD MEETING  
January 17, 2023**

Regular Meeting of the General Employees' Pension Board, held in the Jefferson Conference Room located at 27600 Jefferson Avenue, St. Clair Shores, Michigan.

Present: Kip Walby, John Caron, Vicky Shipman and Dale Verhaeghe

Also Present: Abrial Barrett; City Clerk, Tom Michaud; Attorney, Mike Holycross; AndCo Consultant, Katie Bala; Recording Secretary, Steven Keith; City Clerk's Office

**1. CALL TO ORDER**

Mayor Walby called the meeting to order at 3:30 p.m. and a quorum was present.

Mayor Walby noted that Mr. Verhaeghe will be late.

**2. APPROVAL OF CONSENT AGENDA ITEMS**

**Motion by Caron, seconded by Shipman to approve the Consent Agenda items a - d as follows:**

- a) Request to approve minutes of November 15, 2022 as presented  
b) Request to approve payment of Invoices as of January 12, 2023

<b>ANDCO (OCTOBER – DECEMBER 2022)</b>	<b>\$12,500.00</b>
<b>GABRIEL, ROEDER, SMITH &amp; COMPANY</b>	<b>\$8,542.00</b>
<b>GABRIEL, ROEDER, SMITH &amp; COMPANY</b>	<b>\$10,579.00</b>
<b>GABRIEL, ROEDER, SMITH &amp; COMPANY</b>	<b>\$1,788.00</b>
<b>REINHART PARTNERS, INC.</b>	<b>\$9,315.00</b>
<b>REINHART PARTNERS, INC.</b>	<b>\$10,836.00</b>
<b>SCP (SEIZERT CAPITAL PARTNERS)</b>	<b>\$5,924.00</b>
<b>Total</b>	<b>\$59,484.00</b>

- c) Robbins Geller Rudman & Dowd LLP Portfolio Monitoring Report (October 28, 2022 & November 25, 2022)  
d) Request to receive and file Penn Square Global Real Estate Fund I, L.P. Distribution in the amount of \$15,987.90

Ayes: All – 3  
Absent: Verhaeghe

**3. ANDCO CONSULTING PRESENTATION – FLASH REPORT: INVESTMENT PERFORMANCE REVIEW PERIOD ENDING DECEMBER 31, 2022**

Mr. Holycross discussed a hand out of the equity and bond calendar year index showing both in negative returns in 2022. He discussed the 60% stocks / 40% bonds traditional balanced portfolio at -16.1%. due to how quickly the interest rates moved up.

Mr. Holycross gave an overview of the markets and our funds performances. The total fund is up 6.93% for the quarter and down 14.22% year to date. He said looking forward the total fund is still showing strong returns.

Mr. Verhaeghe arrived at 3:35 p.m.

Mr. Holycross noted that there has been an ownership change with Reinhart. At the end of the year the acquiring firm, Spouting Rock will have 30% equity ownership.

**Motion by Caron, seconded by Shipman to receive and file the AndCo Consulting December 31, 2022 Flash Report as presented by the Board's consultant.**

Ayes: All - 4

**4. VANOVERBEKE, MICHAUD & TIMMONY, P.C.**

Mr. Michaud had no updates but he anticipates there will be a fair number of legislative updates in the next couple of months.

**5. OLD BUSINESS - None**

**6. NEW BUSINESS**

**a) Annual Election of Chair & Vice-Chair for 2023**

**Motion by Caron, seconded by Verhaeghe to re-elect Kip Walby as Chair and Vicky Shipman as Vice Chair to the General Employee's Pension Board for 2023.**

Ayes: All – 4

**b) FYE 2023 – Estimated Budgeted Expenses**

**Motion by Shipman, seconded by Caron to approve the adoption of Fiscal Year 2022 – 2023 Budget in compliance with Public Act 314 as follows:**

<b>City of St. Clair Shores General Retirement System Itemized Budgeted Expenses As of June 30, 2022</b>			
	<b>Actual 06/30/2021</b>	<b>Actual 06/30/2022</b>	<b>Budgeted 6/30/2023</b>
<b>Expenses</b>			
<b>*Benefit Payments</b>	<b>\$5,436,409.29</b>	<b>\$5,659,397.15</b>	<b>\$6,100,000.00</b>
<b>Trustee &amp; Custodial Fees</b>	<b>188,811.99</b>	<b>184,211.01</b>	<b>174,919.00</b>
<b>Training</b>	<b>200.00</b>	<b>2,771.44</b>	<b>5,200.00</b>
<b>Actuarial Fees</b>	<b>18,478.33</b>	<b>19,473.00</b>	<b>19,900.00</b>
<b>Legal Fees</b>	<b>3,066.80</b>	<b>3,742.60</b>	<b>4,000.00</b>
<b>Disability/Medical/Insurance</b>	<b>7,082.00</b>	<b>6,254.83</b>	<b>7,380.00</b>
<b>Total Expenses:</b>	<b>\$5,654,048.41</b>	<b>\$5,875,850.03</b>	<b>\$6,311,399.00</b>

**\*Includes participants' reimbursement for Medicare. Employer reimburses this cost on a quarterly basis.**

Ayes: All – 4

**c) Review, Receive and File Hatteras Investment Partners letter dated October 31, 2022 – Notice of approved plan of liquidation deadline extension and Hatteras Investment Partners Plan of Liquidation Update – Frequently asked questions – Revised December 9, 2022**

Mr. Holycross said this is a notification that Hatteras extended their deadline for any ownership changes and then they will have a sale of all assets in 2023. Once this is completed, we will have the final distribution from this portfolio.

**Motion by Caron, seconded by Verhaeghe to receive and file Hatteras Investment Partners letter dated October 31, 2022 – Notice of approved plan of liquidation deadline extension and Hatteras Investment Partners Plan of Liquidation Update – Frequently asked questions – Revised December 9, 2022**

Ayes: All – 4

**d) MAPERS One Day Seminar March 3, 2023, Marriott Hotel, Troy, MI**

Mayor Walby asked if anyone was interested in going to the seminar.

The board will not be attending the seminar.

Mayor Walby said since no one is attending the seminar, we do not need to make a motion.

**7. AUDIENCE PARTICIPATION - None**

**8. ADJOURMENT**

**Motion by Caron, seconded by Verhaeghe to adjourn the meeting at 3:40 p.m.**

Ayes: All – 4

**THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY, FEBRUARY 21, 2023**

Prepared by:  
Katie Bala  
Recording Secretary

Reviewed by:  
Abrial J. Barrett  
City Clerk / Secretary to GEPB