

MINUTES OF THE RETIREMENT COMMISSION
Thursday, November 19, 2015

A meeting of the Retirement Commission was held on Thursday, November 19, 2015 at 8:30 a.m., at the Macomb County Administration Building, 9th Floor Conference Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

Present:

Jerry Moffitt – Chair, Darra Slanec – Vice-Chair, Bob Hoepfner, Mark Deldin, Matthew Murphy

Excused:

Gary Cutler, Dave Flynn

Also Present:

George Brumbaugh, Stephen Smigiel, John Schapka, John Kravitz, Stephanie Dobson, Mike Holycross, Tom Michaud

1. Call to Order

There being a quorum of the committee present, the meeting was called to order at 8:30 a.m. by Chair Moffitt.

2. Adoption of Agenda

A motion was made by Trustee Hoepfner to adopt the agenda as presented. The motion was supported by Vice-Chair Slanec. The motion carried.

3. Public Participation

None

4. Approval of Invoices

A motion was made by Trustee Deldin, supported by Trustee Murphy to approve the invoices as presented. The motion carried.

5. Disability Retirement

-- Frank Delise, Jr. (Application)

A motion was made by Trustee Murphy, supported by Vice-Chair Slanec to adopt the resolution to process the disability retirement application of Frank Delise, Jr. and direct Human Resources to order an IME. The motion carried.

6. MMRO Recommendation of IMEs not clinically required

Ms. Dobson requested direction from the Board regarding one of the disability re-examinations being conducted by MMRO. She indicated the re-exams are moving a little bit slower than she anticipated, but there is one individual in particular that MMRO is suggesting no longer requires a clinical examination. This particular individual has a debilitating illness and the diagnosis precludes any possible improvement in their condition. MMRO is recommending a waiver of the physical clinical examination based on this prognosis. Mr. Michaud advised that as long as MMRO puts their recommendation in writing, it can be reviewed by the Board in the same manner as their other recommendations and appropriate action would be taken at that time.

7. Townsend Group / TREA II

Mr. Holycross distributed a market value update with preliminary performance as of November 16, 2015. The handout included cash flow expectations for the real estate side of the portfolio. Significant distributions are expected out of the portfolio which will reduce the real estate allocation. He reminded the Board that the Townsend portfolio is what is referred to as a “co-invest” so they are actually investing alongside others directly into properties, not into funds.

The TREA II fund closes at year end, so there is still time to consider an investment. Chair Moffitt inquired about any other comparable funds. Mr. Holycross distributed a handout for American Realty Advisors and provided a bit of background on their fund. Chair Moffitt requested this item be added to the agenda for the December 3, 2015 meeting to allow the Board additional time for consideration before an investment decision is made.

8. Other Business

Chair Moffitt requested WHV International also be added to the agenda for the next meeting and asked Mr. Holycross to be prepared to provide alternatives to be considered.

Mr. George Brumbaugh informed the Board that the Retirees Association has elected him President and thus he will begin serving as the Retiree Representative on this Board. He is looking forward to working with everyone and looking out for the retirees as their representative.

9. Adjournment

There being no further business before the Board, a motion was made by Trustee Deldin, supported by Vice-Chair Slanec to adjourn the meeting at 8:50 a.m. The motion carried.