

# MINUTES



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## Employees' Retirement System Board Meeting

October 21<sup>st</sup>, 2020 at 12:00 PM  
Electronic Remote Participation via GoToMeeting  
(248) 524-3306  
ERSPublicComments@troymi.gov

### Roll Call

The monthly meeting for the Employees' Retirement System Board of Trustees was held on **October 21<sup>st</sup>, 2020** with electronic remote participation via GoToMeeting.

The meeting was called to order at 12:00 PM by Administrator Maleszyk.

**Trustees Present:** Mark Calice  
Thomas Gordon II  
Robert C Maleszyk  
Kurt Bovensiep  
Mark F Miller  
David Hamilton

**Trustees Absent:** Justin Novak  
Mark Owczarzak

**Also Present:** Rola Ismail – ICMA/RC (left 12:38 PM)  
Ray Fortin – ICMA/RC (left 12:38 PM)  
Mark Woolhiser – MBC Investment Consulting (left 1:06 PM)  
Joe Warsecke – MBC Investment Consulting (left 1:06 PM)  
Lori Bluhm  
Lisa Burnham  
Shazia Fatima

### Motion to Excuse Absentees

#### Resolution # ER – 2020-10-22

Moved by: Miller

Seconded by: Hamilton

**RESOLVED**, that the absent trustees be excused be **APPROVED**.

Yeas: - 6 – (Calice, Miller, Hamilton, Gordon, Bovensiep, Maleszyk)

Nays: - 0 -

Absent: - 1 – (Novak)

**Motion Passes**

**Resolution: To allow all members to participate in public meetings by electronic means as allowed by Public Act 228 of 2020 and to establish public participation rules as printed in the Agenda Packet**

**Resolution # ER – 2020-10-23**

Moved by: Miller

Seconded by: Calice

**RESOLVED**, to allow all members to participate in public meetings by electronic means as allowed by Public Act 228 of 2020 and to establish public participation rules as printed in the Agenda Packet be **APPROVED**.

Yeas: - 6 – (Miller, Calice, Hamilton, Gordon, Bovensiep, Maleszyk)

Nays: - 0 -

Absent: - 1 – (Novak)

**Motion Passes**

**Public Comment**

- None

**Minutes from the August 12<sup>th</sup>, 2020 Meeting**

**Resolution # ER – 2020-10-24**

Moved by: Calice

Seconded by: Bovensiep

**RESOLVED**, that the Minutes of the August 12<sup>th</sup>, 2020 meeting be **APPROVED**.

Yeas: - 6 – (Calice, Bovensiep, Gordon, Hamilton, Miller, Maleszyk)

Nays: - 0 -

Absent: - 1 – (Novak)

**Motion Passes**

**Retirement Requests**

<b>Name</b>	Christopher Stout	Curtis Reynolds, Jr.	Uwe (Jake) Diepholz
<b>Pension Program</b>	DB	On-Duty Death DB (with EDRO)	DB
<b>Retirement Date</b>	October 11, 2020	September 24, 2020	November 1, 2020
<b>Department</b>	Police	Police	Water Department
<b>Service Time</b>	25 years 9 months	29 years, 4 months	30 years, 1 month

- Trustee Hamilton sent his thoughts and prayers to the family, friends and colleagues of Officer Reynolds on his untimely passing.

**Resolution # ER – 2020-10-25**

Moved by: Gordon

Seconded by: Miller

**RESOLVED**, that the Retirement Requests be **APPROVED**.

Yeas: - 6 - (Gordon, Miller, Calice, Hamilton, Bovensiep, Maleszyk)

Nays: - 0 -

Absent: - 1 – (Novak)

**Motion Passes**

**Regular Business**

• **ICMA/RC Investment Review**

- Ray Fortin briefly introduced himself and his role in ICMA/RC.
- Rola and Ray gave an Education Activity Update, and what they are doing to help employees save for retirement.
- They have successfully conducted 294 One-on-One consultations, 11 Group Presentations and One-on-One CFP Consultations.
- A customized website for the City is ready to be rolled out to make it easier for employees to reach out to consultants and CFP's.
- Ray presented the Investment review discussing the Active Vantagepoint and VT Funds, Asset Allocation, strong performing funds and poor performing funds and the Quarterly Fund Performance Report as of 9/30/2020.

**Investments**

**MBC Investment Consulting**

• **Defined Contribution Plan Analysis – Mark Woolhiser**

- Mark Woolhiser introduced himself and MBC Investment Consulting.
- MBC Consulting, when hired as a consultant, would share fiduciary responsibility, and work as an advocate to reduce our costs with ICMA/RC.
- They aim to help the Board implement a defined contribution strategy, reduce participant costs, improve the investment lineup by eliminating proprietary funds and establishing quarterly monitoring of investments, and, create an employee education plan that focuses on retirement readiness.
- He explained their Scorecard System Methodology and based on that provided a list of our funds and their scores based on their scoring system, concluding that there are a lot of vantagepoint funds that should be replaced and the Fidelity Puritan fund is on their watchlist.

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- **Recommendations:**

- Empower Pension Board to Implement Defined Contribution Solutions
- Hire Defined Contribution Plan Consultant

- **Discussion:**

- Lori Bluhm inquired about MBC's cost to the City of Troy.
- MBC is a MITN Preferred vendor.
- Administrator Maleszyk wants to move forward with the help of Lori to hire MBC. He proposed that we could pay MBC for the first couple of years out of forfeited funds from participants who don't make their vesting. The city would ultimately be paying this fee.
- Lori Bluhm would like to research on it more and also agreed that using forfeited funds would be a good plan for the first few years.
- The Board had a consensus on hiring MBC. Lori will have to put together an agreement and bring it to the Board before a formal hiring is completed.

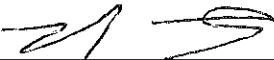
**Other Business**

- None

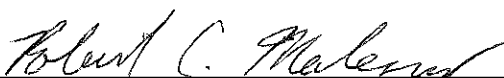
**Adjourn**

The meeting adjourned at 1:16 PM.

The next meeting is Wednesday, November 11<sup>th</sup>, 2020 at 12:00 PM.



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Thomas Gordon II, Vice Chairman



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Robert C Maleszyk, Administrator