CITY OF DEARBORN
CHAPTER 22 - GENERAL EMPLOYEES RETIREMENT SYSTEM
(System Close date: 07/01/2002)
BOARD OF TRUSTEES MINUTES
Dearborn Administrative Center - Council Chambers
16901 Michigan Avenue, Dearborn, MI, 48126
Thursday, March 12, 2019

<table>
<thead>
<tr>
<th>Board Attendance</th>
<th>Present</th>
<th>Absent</th>
<th>Term End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carl Meyers, Chair, Mayor Appointed</td>
<td>X</td>
<td></td>
<td>12/31/22</td>
</tr>
<tr>
<td>Don Cundy, Vice Chair, City Council Appointed</td>
<td>X</td>
<td></td>
<td>12/31/22</td>
</tr>
<tr>
<td>Robert Guerin, Trustee, Member Elected</td>
<td>X</td>
<td></td>
<td>06/30/19</td>
</tr>
<tr>
<td>Wisam Fakhoury, Trustee, CSC Appointed</td>
<td>X</td>
<td></td>
<td>06/30/20</td>
</tr>
<tr>
<td>William Irving, Trustee, Member Elected</td>
<td>X – In at 8:35am</td>
<td></td>
<td>06/30/21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Attendance</th>
<th>Present</th>
<th>Absent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ginger Moriarty, Acting Board Secretary</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Robert Festerman, Pension Administrator</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>David Thompson, Accountant</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Jeremy Romer, Legal Counsel</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Marie Racine, Legal Counsel</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Michael Valchine, NEPC</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Steve Riga, Graystone Consulting</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Amy Cole, Graystone Consulting</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Roll Call Time: 8:30 AM
Quorum Met (Needs 3 attending members for a quorum): Yes
A) 8:30 AM GENERAL BUSINESS

1. Review 2/21/2019 Open Session meeting minutes.

   Motion by: Wisam Fakhoury
   Support by: Robert Guerin
   Roll-Call Vote: Unanimous with the exception of Chair Carl Meyers, who abstained
due to not being present at the 2/21/2019 meeting.
   Resolution # 2019-24

2. Review 2/28/2019 Open Session meeting minutes.

   Motion by: Robert Guerin
   Support by: Wisam Fakhoury
   Roll-Call Vote: Unanimous
   Resolution # 2019-25

3. Motion to approve retirement application for P. Lehr – B-75, subject to applicant meeting retirant eligibility requirements.

   Motion by: William Irving
   Support by: Wisam Fakhoury
   Roll-Call Vote: Unanimous
   Resolution # 2019-26

4. Motion to approve retirement application for J. Salem – B-50, subject to applicant meeting retirant eligibility requirements.

   Motion by: Robert Guerin
   Support by: William Irving
   Roll-Call Vote: Unanimous
   Resolution # 2019-27
B) INVESTMENT CONSULTANT BUSINESS

1. New England Pension Consultants (NEPC)

Pension Administrator Robert Festerman indicated that Mike Valchine was unable to attend the meeting, and the March meeting materials have not been received at this time, but would be provided once made available.

2. Graystone Consulting

Steve Riga and Amy Cole supplied materials and provided a market update to the Board.

Receipt & file resolution #: 2019-29

Chair Carl Meyers inquired about the transition timeline for the onboarding process. Steve Riga and Amy Cole outlined the next steps, indicating a review of the Investment Policy Statement would be completed, ensuring it was Act 314 compliant, and that the current asset allocation is on target to meet the systems 7% return assumption.

Chapter 23 Trustee Alan Brzys asked Riga and Cole to explain the quantitative policy on when to terminate a manager, which they did. Riga and Cole were also asked by Trustee Brzys if they are the fiduciary on all the investments in the current plans. They responded in the affirmative.

A motion was proposed directing Graystone Consulting to track two sets of manager performance; The first set of tracking (YTD, 1, 3, 5, 7, 10yr, since inception) is the performance of Chapter 22 since inception of Dec 1995 for historical purposes. The second set of tracking is the same, and will begin upon execution of Graystone Consulting’s contract, April 1, 2019.

Motion by: Don Cundy
Support by: Wisam Fakhoury
Roll-Call Vote: Unanimous
Resolution #: 2019-28
C) OTHER BUSINESS

1. Discussion regarding budgeting for the legal fees related to outside Legal Counsel’s attendance of pension board meeting.

Acting Board Secretary Ginger Moriarty expressed concerns regarding having the General Fund pay for the Legal Services the Pension Boards have requested. Legal Counsel Marie Racine felt her attendance of board meetings fell within the scope of the contract.

City Attorney Romer’s indicated his first impression of the Outside Legal Counsel RFP was that legal services for Marie Racine fell within the scope of the RFP and her contract, thus falling under the budget of the legal department. Romer agreed to review the contract further and report back to both Boards on the next meeting.

2. Review of three-year budget as prepared by the Finance Department

Pension Administrator Robert Festerman provided copies of the proposed FY2020 Budget, indicating that the legal fees related to outside Legal Counsel’s attendance of pension board meeting is currently included in the Other Professional Services line item, and will be updated pending the results of the discussion between the Finance and Legal Departments.

Trustee Irving inquired about the proposed Training and Travel budget, requesting that the Finance Department budget for this line item as they have in the past, $2,000 per trustee, $10,000 in total. Pension Administrator indicated he would update the budget accordingly.

3. Acting Board Secretary Ginger Moriarty provided handouts relating to Chapter 22’s proposed budget that will be presented at the March 13, 2019 Council Budget Workshop and discussed them with the Board.

Receipt & file resolution # 2019-30

4. Motion to Adjourn Meeting.

Meeting end time: 9:50 am
Motion by: Robert Guerin
Support by: William Irving
Roll-Call Vote: Unanimous
Resolution #: 2019-31

Ginger Moriarty, Acting Board Secretary

Date 4/1/19

Minutes Approval Resolution

4/9/2019 Minutes Approval Date