

**MINUTES  
OF THE CITY OF ST. CLAIR SHORES  
GENERAL EMPLOYEE RETIREE HEALTH CARE BOARD VIA ZOOM  
Tuesday, January 19, 2021**

**PRESENT:**

John D. Caron - Calling from St Clair Shores, MI  
Mary A. Kotowski – Calling from St Clair Shores MI  
Laura L. Stowell – Calling from St Clair Shores MI  
Rena L. Warnke – Calling from St Clair Shores MI  
Kip C. Walby, Mayor/Chairman – Calling from  
St Clair Shores MI

**ABSENT & EXCUSED:**

**ALSO PRESENT:**

Investment Counsel  
Legal Counsel

Michael Holycross, AndCo.  
Thomas Michaud

**Call to Order**

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

**2. Approval of Consent Agenda Items**

**Mr. Caron moved and Mrs. Warnke seconded approval of the Consent Agenda**

Ayes: All – 5

- a. Approval of Minutes – October 20, 2020
- b. Approval of Invoices – AndCo \$3,750.00; Comerica Cash \$957.91; Gabriel, Roeder, Smith & Company \$5,961
- c. Meeting date approval

**New Business**

**a. Quarterly Report Ended 12/31/20 – AndCo Consulting**

Quarter finished strong bringing year to date all asset classes to positive.

Small caps stock up 31% for the quarter.

Finished calendar year at \$10.6 Million.

**Mr. Caron moved and Ms. Kotowski seconded to receive and file quarterly report**

Ayes: All-5

**b. Investment policy statement – Mike Holycross**

The only change is, it no longer requires a manual signature, it will be just noted which meeting it was approved and adopted. That way can go back to the minutes to see what discussion took place.

With this being the first change, it was noted what change is included in the language in the Investment policy statement. Remove global fixed income from the target allocation. Because the second half of last year, it was eliminated global fixed income as an asset class, in order to clean up the performance report

and investment policy it makes sense to take that down to \$0 and remove from the target allocation. Global fixed income is no longer under core fixed income.

**Mr. Caron moved and Mrs. Kotowski seconded to approve the adoption of the new amended policy statement to be attached with the minutes to be easier in the future to find it.**

Ayes: All-5

Mike Holycross explained that Dan Fuss will no longer service as a co-portfolio manager for Loomis Sayles fixed income portfolios.

**c. Recommendation of rebalancing of fund – Mike Holycross**

\$125,000 going into value to balance outgrowth and value in the US portfolio

\$725,000 coming out of large cap growth.

\$800,000 out of US index fund, taking that down to 10% adding \$300,000 into small mid cap value stocks which should continue to do well if economy continues to grow as expected.

Adding \$700,000 to international equity to finish at 13.4%

\$400,000 moves into the investment grade fixed income portfolio. So, the fixed income will finish at almost 31% after the rebalance.

**Mr Caron moved and Mrs. Warnke seconded to accept the rebalancing of the portfolio.**

Ayes: All- 5

**d. Open Meetings Act Amendments – Tom Michaud**

Extended to allow virtual meetings until the end of the first quarter. Come April 1<sup>st</sup>, will need a reason.

**Audience participation** – None

**Adjournment**

**Mr. Caron moved and Ms. Kotowski seconded approval to adjourn the meeting at 3:23 p.m.**

Ayes: All – 5