CITY OF DEARBORN
CHAPTER 23 - POLICE AND FIRE REVISED RETIREMENT SYSTEM
(System Close Dates: Police: 07/01/2005…Fire: 05/01/2009)
NOTICE of BOARD OF TRUSTEES MEETING & AGENDA
Dearborn Administrative Center – Council Chambers
16901 Michigan Avenue, Dearborn, MI, 48126

8:30 AM, Thursday, September 25, 2025

Open Session Minutes

Board Attendance	Present	Absent	Term End Date
Randa Dagher, Chair, Mayor Appointed	X		01/01/26
Alan Brzys, Vice Chair, City Council Appointed	X		01/01/26
Daniel Bartok, Trustee, Police Member, Elected		X	06/30/27
Joseph Yamin, Trustee, Police Member Elected	X		06/30/29
Chad Bronson, Trustee, Fire Member Elected	X		06/30/27
James Rodgers, Trustee, Fire Member Elected	X		06/30/29
Ibrahem Mac Elabed, Trustee, Citizen Appointed (Out at 10:27)	X		01/01/26

Other Attendance	Present	Absent
Michael Kennedy, Board Secretary		X
Robert Festerman, Pension Administrator	X	
Robert Benak, Pension Accountant	X	
Jeremy Romer, Legal Counsel		X
Marie Racine, Legal Counsel	X	
John Krakowiak, Graystone, Consultant	X	
Amy Cole, Graystone, Consultant	X	

*Roll Call Time: 8:35 A.M.
Quorum Met (Needs 5 attending members for a quorum):

1. Consider agenda as proposed

Motion by:	*Alan Brzys*
Support by:	*Joseph Yamin*
Roll-Call Vote	*Unanimous*
Resolution #	**2025-59**

8:30 AM - INVESTMENT CONSULTANT BUSINESS

2. Investment Manager Presentation – None Scheduled

3. Graystone Consulting – Monthly Report

Amy Cole from Graystone Consulting provided the monthly market report. The monthly return for the MSCI EAFE market was 23.4%, which Ms. Cole attributed almost entirely to the weakening of the dollar. The European market cut rates much quicker than the U.S., they face less inflation and other factors come into play. Ms. Cole further highlighted the benefit of having a diversified portfolio and holding international positions for situations like this, especially when domestically the year was off to a poor start.

Ms. Cole discussed the ongoing changes to the portfolio, specifically the allocation between Growth and Value investments. Corporations have been spending large amounts of capital on building infrastructure for tech and A.I. which is causing some shifts in the asset classes, specifically with energy and infrastructure becoming more correlated with the technology sector.

NASDAQ is up 12% for the year, with Small Cap investments lagging behind. Ms. Cole explained the liquidity of the market has been shifting toward private equity as compared to the previously dominating public market, which is likely affecting the small cap investments. The first of two expected 0.25% rate cuts, was approved by the Fed, due to the rising inflation and poor jobs performance report.

Chair Randa Dagher inquired about China selling portions of their U.S. Treasuries. Ms. Cole explained that the risk of China selling too much is there, however currently, other countries have made large investments into U.S. Treasuries and closed that gap. The largest holder of U.S. Debt is still Japan. China has fallen from #2 to #3, with the United Kingdom picking up a large amount of the debt sold by China.

Chair Dagher further inquired about the EAFE allocation relative to the performance they have had. Ms. Cole explained there is no real reason to change the allocation one way or another, however, the gain from this performance was captured by utilizing those funds for pension benefits this month. John Krakowiak also added that the international and emerging market allocations are already near their limit per Public Act 314's 20% limit, so no more allocation can be given unless the emerging market investments are reduced.

Chapter 22 Trustee Robert Guerin inquired about the risks with the market moving forward. Ms. Cole explained in the short term that the impact of the tariffs has still not been fully realized and that's the most risk looking forward. Ms. Cole added that the tariffs could increase inflation, reduce consumption and/or affect earnings reports if corporations are absorbing the tariff costs. In the 3-to-5-year range, the cost of A.I. and the valuations of the tech companies could collapse if spending doesn't match the valuations.

The Board further discussed the history of economic hardships including the dot com bubble and the financial crisis of 2008. Mr. Krakowiak explained navigating situations like those comes down to keeping allocations diversified as well as not realizing your losses, which means that it makes sense to use investment earnings to pay benefits and raise capital from investments that are up, and letting the losses recover naturally – potentially even buying more when the prices drop.

Mr. Krakowiak provided the monthly performance reports. Firstly, Mr. Krakowiak highlighted a carryover from last fiscal year for Chapter 23, specifically due to late reporting from Walter Scott and a Small Cap manager. This results in an additional 0.6% increase in July performance. The July monthly return was 1.6% and the August monthly return was 2.1%; the return for the prior 3 months was 7.2%.

Mr. Krakowiak briefly discussed the addition of the Vanguard Extended Market index to the portfolio. It is a median market cap index which will add small cap growth and value to the portfolio that was lost in the portfolio restructuring for Yousif Capital Management. More information will follow.

Mr. Krakowiak discussed a conversation he had with Ellen Zentner, the chief economist at Morgan Stanley and presenter at MAPERs, regarding her views on Geopolitics and Real Estate. Notably, Ms. Zentner was very optimistic and explained that rents are rising, real estate demand is increasing, return to work is in effect and of course, the Federal Reserve has finally initiated rate cuts.

Mr. Krakowiak discussed further the fact that small cap businesses are trending toward using private equity vehicles rather than the public market. Mr. Krakowiak explained the access to capital and lack of constrictions by a board of directors make this funding strategy much more desirable by small cap companies.

Additionally, Mr. Krakowiak discussed the small cap growth investment search with the Board, highlighting the Upside/Downside graph showing Peregrine's low performance and comparing them to other managers. Columbia Small Cap Growth seems to be the best performer of the selected portfolios; however, Lord Abbett and American Century are in consideration too. Mr. Krakowiak explained more information will follow but tentatively the recommendation will be replacing Peregrine with a new small cap growth manager, as well as, reallocating approximately $10 million to the small cap funds for both growth and value, and to fund a new mid cap core manager.

Receipt & file resolution # **2025-60**

GENERAL BUSINESS

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4. CONSENT AGENDA FOR 09-25-2025

A. Consider 07/31/2025 Open Session Draft Board Minutes

B. Consider Kevin Kruslemsky's B-100 Retirement Application

END OF CONSENT AGENDA

Motion by:	*Randa Dagher*
Support by:	*Chad Bronson*
Roll-Call Vote	*Unanimous*
Resolution #	**2025-61**

OTHER BUSINESS

5. Discuss and consider Mark Andrew's B-50 Retirement Application

The Boards discussed the application of Mark Andrew, noting his EDRO language states that in addition to her EDRO benefits, the Alternate Payee is also to be named as the B-50 beneficiary of the Non-Marital (Non-EDRO) portion of his pension benefit. Because the Alternate Payee is not the current spouse, the free B-50 does not apply, and Mr. Andrews B-50 election will be reduced by the applicable reduction factors.

Motion to table the consideration of Mark Andrew's B-50 Retirement Application until receipt of his court approved EDRO.

Motion by:	*Chad Bronson*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2025-62**

6. Any Other Business Items That Arise

Legal Counsel Marie Racine indicated the System had purchased 3,319 shares in an IPO and sold those shares on April 2nd 2025. Ms. Racine also informed the Board that upon retention for litigation, Labaton, Keller, Sucharow indemnifies the client against any countersuits.

OLD BUSINESS

7. Open work items in process

a. EDRO / DRO In Process: Andrew, M

Legal Counsel Marie Racine and Pension Administrator Robert Festerman provided updates regarding the Andrew EDRO, explaining that Mr. Andrew has his pension application paperwork completed however the administration is still waiting for his EDRO paperwork. A draft copy has been received and edits provided to Mr. Andrew by Ms. Racine, which draft was used to create Mr. Andrew's estimate but this will need to be reviewed and updated as necessary once the finalized and approved EDRO is submitted to the pension staff.

INFORMATIONAL ITEMS

8. Any other informational items that arise

Trustee Chad Bronson and Legal Counsel Marie Racine gave a brief update regarding the MAPERS conference attended by various trustees. Some of the highlights of the conference were statistics regarding different systems funding levels, lobbying for reform regarding the Open Meetings Act to allow for virtual meetings, and comparisons between defined contribution and defined benefit plans.

CLOSED SESSION

9. Motion to go to Closed Session

Time:	*9:56 A.M.*
Motion by:	*Chad Bronson*
Support by:	*James Rodgers*
Roll-Call Vote	*Randa Dagher - Yes*
	Alan Brzys – Yes
	Daniel Bartok - Absent
	Joseph Yamin – Yes
	Chad Bronson - Yes
	James Rodgers- Yes
	Ibrahim Mac Elabed – Yes
Resolution #	**2025-63**

a. Review of 07/31/2025 Closed Session Minutes

b. Legal Reports(s) presented by Racine & Associates/Labaton Keller Sucharow

c. Any Other Closed Session Items that Arise

OPEN SESSION (continued at 10:45 A.M.)

10. Motion to approve 07/31/2025 Closed Session Minutes.

Motion by:	*Chad Bronson*
Support by:	*Alan Brzys*
Roll-Call Vote	*Randa Dagher - Yes*
	Alan Brzys – Yes
	Daniel Bartok - Absent
	Joseph Yamin – Abstain
	Chad Bronson - Yes
	James Rodgers- Yes
	Ibrahim Mac Elabed – Absent
Resolution #	**2025-64**

11. Motion for Legal Counsel to proceed as discussed in Closed Session

Motion by:	*Chad Bronson*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2025-65**

12. Motion to ratify Labaton proceeding with the R1 RCM complaint filing.

Motion by:	*Chad Bronson*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2025-66**

ADJOURN MEETING

Motion to adjourn meeting

Meeting End Time:	*11:20 am*
Motion by:	*Randa Dagher*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2025-67**

10-21-25

Michael Kennedy, Board Secretary

Date

2025-17

Minutes Approval Resolution

10-23-2025

Minutes Approval Date