CITY OF DEARBORN
CHAPTER 22 - GENERAL EMPLOYEES RETIREMENT SYSTEM
(System Close date: 07/01/2002)
NOTICE of BOARD OF TRUSTEES MEETING & AGENDA
Dearborn Administrative Center – Council Chambers
16901 Michigan Avenue, Dearborn, MI, 48126

8:30AM, Thursday, May 28, 2026

Board Attendance	Present	Absent	Term End Date
David Saleh, Chair, Mayor Appointed (in at 8:35 A.M.)	X		01/01/30
Alan Brzys, Vice Chair, City Council Appointed	X		01/01/30
Robert Guerin, Trustee, Member Elected	X		06/30/27
Wisam Fakhoury, Trustee, CSC Appointed (in at 8:35 A.M.)	X		06/30/28
Michael Timiney, Trustee, Member Elected	X		06/30/29

Other Attendance	Present	Absent
Michael Kennedy, Board Secretary (in @ 10:00 A.M., out @ 10:51 A.M)	X	
Robert Festerman, Pension Administrator	X	
Robert Benak, Pension Accountant	X	
James Fisher, Legal Counsel (in at 8:45 A.M.)	X	
Marie Racine, Legal Counsel	X	
John Krakowiak, Graystone, Consultant	X	
Amy Cole, Graystone, Consultant		X
Jason White, T. Rowe Price (via Phone)	X	

*Roll Call Time: 8:33 A.M.
Quorum Met (Needs 3 attending members for a quorum): Yes

1. Consider Agenda as proposed – Motion to approve the Agenda as proposed:

Motion by:	*Robert Guerin*
Support by:	*Michael Timiney*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-31**

8:30 AM - INVESTMENT CONSULTANT BUSINESS

2. Manager Presentation – T. Rowe Price

Jason White presented on behalf of T. Rowe Price. Mr. White provided a brief overview of the portfolio, explaining that it is an international equity portfolio focused on developed markets like Europe and Cananda with 10% or less allocation to Emerging Markets. The portfolio is constructed to be a core portfolio holding both value and growth positions. Mr. White also highlighted the strength of T. Rowe's analyst teams, explaining that they are industry and sector experts located all around the globe specializing in various markets. Mr. White briefly discussed T. Rowe's stock selection and risk management processes.

Mr. White discussed the market outlook for 2026. He explained that in January, the outlook was an extension of successful markets in 2025 however with the continued growth around A.I. and the conflict in Iran the outlook has changed. Everything A.I. is still very attractive considering cash flows surrounding the industry, however, the portfolio doesn't own positions in the A.I. developments but instead is positioned in enablers like chip manufacturers.

Regarding the conflict in Iran and the energy crisis, Mr. White explained that there will be long lasting effects due to constrained supply and continued reduction in supply. This energy market will apply an upward inflationary pressure on all markets, which will likely lead to rate increases in various markets and remove any hopes for rate cuts. This, however, does bode well for European banks which performed better than the magnificent 7 in 2025, and likely will continue their excellent performance.

John Krakowiak inquired about T. Rowe's view on the position of the U.S. Dollar. Mr. White explained that T. Rowe views the trajectory of the U.S. Dollar as weakening, not to say that there will not be moments of strength, but given the current market, rising rates and costs of borrowing, more weakness is expected. The portfolio does not hedge against currency.

Trustee Robert Guerin inquired about overseas versus U.S. markets in the next 3 to 5 years. Mr. White explained that since the COVID supply crisis in 2022, where it was the case to have more U.S. Equity, this dynamic has reversed due to international rates coming down. The one exception being the A.I. industry which still drives the U.S. Market; Overall and in general the international markets should perform well.

Trustee Robert Guerin also inquired about the core aspect of the portfolio and the split between value and growth. Mr. White explained that both drive returns for the portfolio and the portfolio has performed well in many different types of markets favoring growth or value independently, but did mention the risk that narrow markets may have on the portfolio.

Trustee Robert Guerin lastly inquired about T. Rowe's use of A.I. Mr. White explained that they use A.I. tools quite frequently in aspects like building financial models, investment research and earnings analysis to name a few examples.

Receipt & file resolution # **2026-32**

After the presentation the Board requested that Pension Administrator Robert Festerman and John Krakowiak ask the presenters for the investment managers to come in person or a different communication method be utilized because presentations through phone calls is less than ideal and not preferred.

3. Graystone Consulting – Monthly Report

John Krakowiak presented the monthly market and performance reports. Mr. Krakowiak first highlighted the alternate view that Graystone has regarding international markets particularly due to the energy crisis and expected rate cuts in international markets will likely hurt those portfolios, however, Emerging Markets are still seen as much better value. Overall, in the international portfolios held by the System, value is tending to do better than growth.

The fiscal year to date performance is just under 13% going into the last two months of the fiscal year. Mr. Krakowiak briefly discussed the success of the passive managers that have been added over the active managers that have higher fees.

Interest rates have gone up 40-50 basis points on the 10-year, which is a drag on fixed income. Trustee Robert Guerin inquired about the interest rates for the rest of the year. Mr. Krakowiak explained that no more cuts are expected until 2027, in which 2 are expected. However, there is a lot of fluidity currently due to the incoming new federal reserve chairman who intends to shrink the balance sheet which could increase yields on the high side resulting in a steepening yield curve.

Regarding equity, the estimate of the S&P 500 was 7,500 – 7,800. Due to the massive investments in A.I. the expectation is now 7,800 for 2026 and 8,300 for 2027. The forecast for capital spending on data centers went from $450 Billion each year for 2 years, rising dramatically to $800 Billion and $1.2 Trillion respectively over the next 2 years. Graystone believes the U.S. Dollar will stabilize.

Trustee James Rodgers of Chapter 23 inquired about the turning point for interest rates to bring Real Estate valuations back up. Mr. Krakowiak explained most likely when long term rates drop below 6% that will allow for some appreciation and good returns.

Mr. Krakowiak discussed a stress test that was run on the portfolio in March in response to the war in Iran launched by the U.S. The stress test was done to see how the portfolio would perform in light of similar historic conditions like the 2008 and 2022 crises. The results indicate equities pull back and gold rallies however the reality is that gold is down 10% and equities are performing well.

Trustee Robert Guerin inquired whether Graystone uses A.I. and to what extent. Mr. Krakowiak explained that they have been onboarding more A.I. tools for various reporting and analysis processes, as well as, likely cyber security but he does not have too much information on that piece.

Trustee Robert Guerin inquired about the current investment allocations. Mr. Krakowiak explained that no changes are planned.

Receipt & file resolution # **2026-33**

GENERAL BUSINESS

4. CONSENT AGENDA FOR 05-28-2026

A. Approve 04/23/2026 Draft Board Minutes

B. Approve Deferred Retiree Melinda Sensabaugh's Straight Life Retirement Application

END OF CONSENT AGENDA – Motion to approve the Consent Agenda:

Motion by:	*Wisam Fakhoury*
Support by:	*Michael Timiney*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-34**

OTHER BUSINESS

5. Annual Affidavit Update

Pension Administrator Festerman provided an update regarding the outstanding affidavits. All outstanding affidavits have been returned, with the exception of the two individuals who have been outstanding for years, and Arlene Edmonds, who was found to be deceased.

Mr. Festerman indicated that he and legal counsel Marie Racine have been corresponding regarding revisions to the annual affidavit form; suggested revisions were discussed with the Board; more to follow.

6. Accounts Receivables Update

a. Outstanding Invoices

Pension Administrator Robert Festerman presented the current 4 outstanding invoices. The invoices are related to the timing of pension payments when a retiree passes depending upon when the System is notified of the death, resulting in an overpayment to the deceased retiree. The 3 outstanding invoices are in the amounts of $60.62, $358.62 and $512.92. Communications and invoices have been sent to last known addresses but there have been no replies. The Board discussed having Legal Counsel Marie Racine reach out as is standard with these invoices.

Motion to have Legal Counsel Marie Racine send a letter on behalf of the Board advising of the Board's desire to pursue collection of the invoiced amounts.

Motion by:	*Alan Brzys*
Support by:	*Michael Timiney*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-35**

b. Arlene Edmounds Overpayment – To be discussed in Closed Session

7. Any Other Business Items That Arise

   Pension Administrator Robert Festerman updated the Board regarding the tentative plan to migrate the pension payroll to the new accounting system BS&A which may include a retiree portal that allows retirees to access their information online similar to how current active employees can. It is not yet confirmed what functionality this portal will have as it is still early in the migration process, and the retirees use of the portal will be optional. More information will follow.

OLD BUSINESS

8. Open work items in process

   a. EDRO / DRO In Process: S. Katsiyiannis – No updates

INFORMATIONAL ITEMS

9. Any other informational items that arise

   a. Trustee Robert Guerin discussed his experience at the NCPERS conference in Vegas. In particular Trustee Guerin mentioned things he learned regarding FOIA laws and state requirements. Discussion was held with Legal Counsel Carter Fisher regarding the Federal and State nature of FOIA laws, to which Mr. Fisher explained that Michigan public entities are dictated by Michigan FOIA law not federal FOIA law.

      Trustee Guerin highlighted the A.I. discussions that were prevalent at the conference. Mr. Guerin explained that a presenter at the conference offered access to his systems A.I. Policy to those interested, to which Legal Counsel Marie Racine did request a copy as it may be relevant to the upcoming policy meeting with the trustees.

   b. Legal Counsel Marie Racine informed the Boards she will be scheduling policy committee meetings for the trustees and requested tentative dates and times the trustees would be available to meet. Ms. Racine explained the meeting would be short as most of the policies are long standing and still relevant.

   c. Trustee James Rodgers of Chapter 23 provided a brief recount of the MAPERS conference in Bay City. Trustee Rodgers discussed a lecture he attended regarding communication policies as they pertain to trustee communications with legal counsels, consultants, managers and political/elected officials.

      The Board discussed the differences between inquiries and requests as it pertains to these communications, indicating inquiries are acceptable however trustees should not be making unilateral requests without Board approval. It was further added that any legal inquiries should be addressed to Marie Racine or Carter Fisher, investment questions should go through Graystone and Actuary inquiries through Gabriel, Roeder & Smith.

Motion to approve Legal Counsel Marie Racine to draft a policy regarding communication between the Board of Trustees and System's investment consultants, investment managers, actuary, legal counsels and any political or elected officials.

Motion by:	*Robert Guerin*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-36**

CLOSED SESSION

10. Motion to go to Closed Session

Time:	10:29 A.M.
Motion by:	*Robert Guerin*
Support by:	*Alan Brzys*
Roll-Call Vote	*David Saleh - Yes*
	Alan Brzys - Yes
	Robert Guerin - Yes
	Wisam Fakhoury - Yes
	Michael Timiney - Yes
Resolution #	**2026-37**

a. Review of 03/26/2026 Closed Session Minutes

b. Legal Report(s) presented by Racine & Associates: Ch. 22 Retiree Arlene Edmonds and Attorney in Fact Nathan Edmonds

c. Any Other Closed Session Items that Arise

OPEN SESSION (cont.) 11:05am

11. a. Consider 03/26/2026 Closed Session Minutes – Motion to approve the Closed Session Minutes as presented

Motion by:	*Alan Brzys*
Support by:	*Robert Guerin*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-38**

b. Considering the Legal report presented in Closed Session regarding Ch. 22 Retiree Arlene Edmonds and Attorney in Fact, Nathan Edmonds - Motion for Legal Counsel Marie Racine to proceed as discussed in Closed Session.

Motion by:	*Robert Guerin*
Support by:	*Wisam Fakhoury*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-39**

ADJOURN MEETING

Motion to adjourn meeting

Meeting End Time:	*11:06 A.M.*
Motion by:	*Wisam Fakhoury*
Support by:	*Robert Guerin*
Resolution #	**2026-40**

Michael ~~Kennedy,~~ Board Secretary — Date: 6-17-26

2026-47
Minutes Approval Resolution

6/25/26
Minutes Approval Date