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

9:00AM, Thursday, June 25, 2026

Board Attendance	**Present**	**Absent**	**Term End Date**
David Saleh, Chair, Mayor Appointed		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	X		06/30/28
Michael Timiney, Trustee, Member Elected	X		06/30/29

Other Attendance	**Present**	**Absent**
Michael Kennedy, Board Secretary		X
Robert Festerman, Pension Administrator	X	
Robert Benak, Pension Accountant	X	
Carter Fisher, Legal Counsel	In @ 8:54 am	
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 3 attending members for a quorum): Yes

1. Consider agenda as proposed

Motion by:	*Robert Guerin*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-45**

9:00 AM - INVESTMENT CONSULTANT BUSINESS

2. Graystone Consulting – Monthly Report

The Board discussed 5/3rd Bank's acquisition of Comerica as it relates to Custody Services, and the ongoing reporting issues that have been experienced. John Krakowiak explained he and his team would sit down before month/fiscal year end to verify the commingled investment vehicles to ensure they are properly reported for the 6/30 fiscal year end statements.

Mr. Krakowiak presented the market performance. The System's year-to-date return is at 7.6% to the benchmark's 7.7%, with a market value of at or near a record high of $181 million. Mr. Krakowiak briefly highlighted the booming performance of Emerging Markets, specifically South Korea and Tawain. Deroy & Devereaux have performed exceptionally well, 32.4% fiscal year-to-date returns. Graystone will use these gains to pay $1.2 million in benefits this month.

Mr. Krakowiak explained growth investments have pulled back while value investments have been holding steady and he has no concerns currently with any of the international positions. America New Perspectives is underperforming slightly but they are new and will be monitored. Overall, fiscal year-to-date is at 16.5% which could drop slightly by year end; very good performance for the fiscal year.

Chapter 23 Trustee James Rodgers inquired about the impact on portfolio performance in light of monthly liquidation of assets for benefit payments. Mr. Krakowiak explained the monthly withdrawals for benefit payments have no impact on performance, however, when the funds are withdrawn the asset value decreases which impacts the fees, charged to the System.

Mr. Krakowiak briefly talked about the war in Iran and the gas markets. Morgan Stanley does not project any interest rate hikes for the rest of 2026, even though the market does. Jobs growth is up, manufacturing numbers are up, which both indicate the Federal Reserve might consider raising rates.

Mr. Krakowiak noted Federal Reserve Chair Kevin Warsh's recent statements that he believes we can have strong growth and low rates in the right environment, which reflects a change in the Fed's philosophy. Mr. Krakowiak explained the change in approach due to a focus on productivity; if we are maintaining our output of goods and services, more dollars are available to purchase more goods and services and when supply drops and dollars are chasing fewer available goods, it is inflationary. This is why Morgan Stanley does not expect any rate hikes in 2026 with possible cuts in 2027.

Trustee James Rodgers of Chapter 23 inquired about the housing markets. Mr. Krakowiak explained he believes housing prices are high because of low supply; it's been reported the U.S. supply is 4 million homes short of the goal. Pair the lack of supply with high interest rates and discretionary owners not wanting to give up their low rates, permits sellers to drive prices. Mr. Krakowiak also discussed the Housing Bill that President Trump refused to sign which would counter the impact of institutional buyers in the market thereby reducing demand and helping to lower housing costs, but he is unfamiliar with what else is in the bill that may impact costs. The Board further discussed the real estate market regarding land, manufactured homes, alternative materials homes and the average age of first-time home buyers.

Receipt & file resolution # **2026-46**

GENERAL BUSINESS

3. ***CONSENT AGENDA FOR 06-25-2026***

   A. Approve 05/28/2026 Draft Board Minutes

   B. Approve 06/09/2026 Special Meeting Open Session Minutes

END OF CONSENT AGENDA

Motion to approve the Consent Agenda:

Motion by:	*Robert Guerin*
Support by:	*Alan Brzys*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-47**

OTHER BUSINESS

4. Any Other Business Items That Arise

   Legal Counsel Marie Racine informed the Board that she would be sending out the demand letters regarding the outstanding accounts receivable invoices later this afternoon.

OLD BUSINESS

5. Open work items in process

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

INFORMATIONAL ITEMS

6. Any other informational items that arise

   Ms. Racine gave a brief update regarding the Comerica settlement claims miscommunication. Upon request, Comerica has agreed to report when they receive and process the System's settlement claims with the clearing house.

CLOSED SESSION

No closed session was held due to lack of a quorum of Trustees sufficient to vote to move to closed session.

ADJOURN MEETING

Motion to adjourn meeting

Meeting End Time:	*10:43 A.M.*
Motion by:	*Alan Brzys*
Support by:	*Robert Guerin*
Vote:	*Unanimous*
Resolution #	**2026-48**

Michael Kennedy, Board Secretary

7-20-26
Date

2026-53
Minutes Approval Resolution

7-23-26
Minutes Approval Date