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, 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
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	X		01/01/30

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
Julie Snaman, Acadian (Via Phone)	X	
Ken Masse, Acadian (Via Phone)	X	

*Roll Call Time: 8:35 A.M.

Quorum Met (Needs 5 attending members for a quorum): Yes

1. Consider agenda as proposed

Motion by:	*Alan Brzys*
Support by:	*Joseph Yamin*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-37**

8:30 AM - INVESTMENT CONSULTANT BUSINESS

2. Manager Presentation: Acadian - Emerging Markets

Ken Masse, Vice President and Portfolio Manager, and Julie Snaman, Senior Vice President and Consultant Relations Officer, reported to the Board via telephone. Ms. Snaman highlighted the positive performance for all of the Acadian Funds, including the Emerging Markets portfolio. Ms. Snaman is pleased with the turnaround in active performance from last year, noting the portfolio is up 4.6% over the benchmark.

Ken Masse discussed portfolio positioning, noting diversity and themes of the portfolio, and that the 650 positions in the portfolio when compared to the benchmark's 1200, permit Acadian to improve on the benchmark's performance with a lower cost, higher growth and quality portfolio.

Mr. Masse discussed Acadian's stock selection and risk management process are driving their returns. ; blanket allocation caps, and risk aware constraints dependent on a market, region or sector. Portfolio allocations are reflective of the benchmark and stock selection.

Mr. Masse reported Acadian's 30.2% year-to-date return is 4.6% higher than the benchmark's 25.6% YTD return. One of the larger drivers of this return is the technology sector which had a very narrow growth focus last year, requiring higher turnover to maintain exposure versus value or quality investments. This year it has widened and value has delivered great returns in the technology sector.

Trustee James Rodgers inquired about the weighting for the Asia sector, specifically Taiwan, South Korea and China, and what goods and services are they capitalizing on. Mr. Masse explained that weighting is driven by the benchmark they are held to; however, most of the stock selection for those nations is driven around the technology sector like semiconductors in China and Taiwan and Samsung and LG in South Korea.

John Krakowiak inquired why the South Korea allocation is underweight compared to the benchmark. Mr. Masse referred to their risk management process driving the slightly underweight allocation to South Korea, explaining they manage around the allocations and risk factors of the benchmark. For example, the benchmark has a 14% weight in Taiwan Semiconductor, which they navigate by selecting complimentary stocks to match. There may be some headwind but they have accounted for that.

John Krakowiak inquired about the $31 million asset value of the portfolio. Ms. Snaman noted a current value of $40 Million. Mr. Krakowiak asked for the monthly statements from December 2025 to March 2026 so the discrepancy can be investigated and brought to Comerica's attention. Otherwise, the System's fiscal year end reports will not reflect the $40 million value.

Receipt & file resolution # **2026-38**

3. 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 and performance. Mr. Krakowiak explained the unreported $9 million from Acadian, will increase the System's year-to-date return. He estimated this would result in a 2.25% boost to the 7.5% year-to-date return resulting in a 10% return year-to-date compared to the benchmark at 8.6%. The System's market value with this added performance is about $408 million. Additionally, once this performance is reported Graystone will look at rebalancing due to the likelihood of an overallocation in international per the Investment Policy.

Mr. Krakowiak briefly highlighted the booming performance in Emerging Markets, specifically South Korea and Tawain. Deroy & Devereaux has performed exceptionally well, with 32.5% fiscal year-to-date returns. Graystone will use these gains to pay $1.6 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 16.6% which will go up with the reporting of the Acadian performance; a very good performance for the fiscal year.

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 want to raise 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 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 # **2026-39**

GENERAL BUSINESS

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

   A. Approve 05/28/2026 Draft Board Minutes

   B. Approve Michael Hayes's B-100 Retirement Application

END OF CONSENT AGENDA

Motion to approve the Consent Agenda:

Motion by:	*Daniel Bartok*
Support by:	*Joseph Yamin*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-40**

OTHER BUSINESS

5. Any Other Business Items That Arise

   The Board inquired about a member who will be eligible to retire soon and whether there is any update regarding their application status. Pension Administrator Festerman explained he has had contact with the individual and explained the retirement process and timing for which the retirement application must be submitted. No action is needed at this time.

OLD BUSINESS

6. Open work items in process

   a. EDRO / DRO In Process: None

INFORMATIONAL ITEMS

7. Any other informational items that arise – None

CLOSED SESSION – 9:25 am

8. Motion to go to Closed Session

Motion by:	*Chad Bronson*
Support by:	*James Rodgers*
Roll-Call Vote	*David Saleh – Absent* *Alan Brzys – Yes* *Daniel Bartok - Yes* *Joseph Yamin – Yes* *Chad Bronson - Yes* *James Rodgers- Yes* *Ibrahim Mac Elabed – Yes*
Resolution #	**2026-41**

a. Review of 04/23/2026 Closed Session Minutes

b. Legal Reports presented by Marie Racine: Ch23 Retiree Louis Tellish

c. Legal Reports presented by Marie Racine: TerraCap Contract Review

d. Legal Reports/Opinion presented by Racine re: Pending litigation Rhodes vs. City of Dearborn and Chapter 23; Case No. 2:25-cv-13863

e. Any Other Closed Session Items that Arise

OPEN SESSION (cont.) – 10:24 am

9. Motion to approve 04/23/2026 Closed Session Minutes

Motion by:	*Joseph Yamin*
Support by:	*James Rodgers*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-42**

10. Motion to approve Legal Counsel to proceed as discussed in Closed Session regarding all reported items.

Motion by:	*Chad Bronson*
Support by:	*James Rodgers*
Roll-Call Vote	*Unanimous*
Resolution #	**2026-43**

ADJOURN MEETING

Motion to adjourn meeting

Meeting End Time:	*10:29 A.M.*
Motion by:	*James Rodgers*
Support by:	*Chad Bronson*
Roll-Call Vote:	*Unanimous*
Resolution #	**2026-44**

7-20-26

Michael Kennedy, Board Secretary — Date

2026-49 — 7-23-26

Minutes Approval Resolution — Minutes Approval Date