

**WAYNE COUNTY EMPLOYEES' RETIREMENT COMMISSION
QUARTERLY MEETING**

**February 10, 2025
10:00 am**

**28 WEST ADAMS, 18TH FLOOR
CONFERENCE ROOM
GRAND PARK CENTRE
DETROIT, MICHIGAN 48226**

Commissioners Present:

Henry Wilson, Chair
Frank Simone, Vice Chair
Dennis Martin
Tom Yee
Elizabeth Misuraca (10:11 am)
Ron Yee

ELECTED MEMBERS TO THE BOARD

Absent:

Alisha Bell, Chair
Wayne County Commission

EX-OFFICIO MEMBER

Assad Turfe
Office of the Wayne County Executive

EX-OFFICIO MEMBER

Others Present:

Robert Grden, Gerard Grysko, Taylor Kosikowski, Terrilla Gee, Robert Abb, Kevin VandenHaute, Mark Mueller, Gavin Schmidtman, Shadi Maasri, Kandie Anglin, Stephanie Biddle



Wayne
County

Employees' Retirement System
Robert J. Grden, Executive Director

February 10, 2025
Quarterly Meeting

1. Call to Order at 10:06 am.

2. Roll Call.

Present: Henry Wilson, Chair; Frank Simone; Vice Chair, Denis Martin, Tom Yee, Ron Yee

Absent: Elizabeth Misuraca (10:11 am), Alisha Bell and Assad Turfe

3. Consideration of a proposed fee structure change for Empower and Titan Wealth Advisors for the Defined Contribution Plan, the Deferred Compensation Plan, and the FICA Alternative Plan presented by Titan Wealth Advisors.

Elizabeth Misuraca entered the meeting at 10:11 AM.

Mr. Simone moved the adoption of the following resolution:

WHEREAS, the Wayne County Employees' Retirement Commission (the "Retirement Commission") is vested with the authority for the general administration, management and operation of the Wayne County Employees' Retirement System (the "Retirement System") and has fiduciary responsibilities relative to the investment of Retirement System assets, and

WHEREAS, pursuant to its Service Provider Review Policy, the Retirement Commission periodically reviews the performance, cost, and services offered by its Professional Service Providers, and

WHEREAS, the Retirement Commission, in consultation with its Investment Consultant, Titan Wealth Advisors of Secure Asset Management ("Consultant"), has recently reviewed the recordkeeping services of the Retirement System's Defined Contribution Plan ("DC Plan") and Deferred Compensation Plans ("Plans"), and

WHEREAS, the Retirement System has utilized industry leader Prudential Retirement for its recordkeeping services for its Defined Contribution Plan for over 20 years, and

WHEREAS, the Retirement Commission reviewed its recordkeeping services, with the assistance of Consultant, conducted a formal request for proposal, and resolved to consolidate all of its recordkeeping services with one recordkeeper for the Plans in 2018, and

WHEREAS, the Retirement Commission, with the assistance of the Executive Director and Consultant, were able to dramatically reduce the Retirement System's fees and expenses as part of the consolidation, and

WHEREAS, in July 2021, Prudential Retirement notified the Retirement System that it had been purchased by Empower and that the Retirement System would have to transition to Empower for its recordkeeping services, and

WHEREAS, upon receiving notice of the pending purchase of Prudential by Empower, the Retirement Commission, along with staff, its Consultant and its legal counsel, began



conducting extensive due diligence into how a transition to Empower would impact Participants in the Plans and the services and fees that would be offered by Empower, and

WHEREAS, Empower is recognized as the second-largest retirement services provider in the U.S. by total participants and administers more than \$1.7 trillion in assets for 19 million investors through the provision of retirement plans, advice, wealth management, and investments, and

WHEREAS, after concluding their due diligence and review of Empower, the Retirement Commission elected to move forward the transition from the Prudential platform to the new Empower platform, and

WHEREAS, the transition to the Empower platform was completed successfully in February of 2024 and has given the Retirement Commission roughly a year to utilize the new Empower platform, and

WHEREAS, the Executive Director and the Consultant have been in negotiations with Empower since they were first notified about the transition to Empower and working on pricing of a new agreement with Empower,

WHEREAS, the Consultant and Executive Director successfully negotiated a significant fee reduction for recordkeeping services, and

WHEREAS, as part of the fee reduction, Empower has proposed moving to a “per participant” charge for recordkeeping services which includes the following total fees:

- 401(a) Plan - \$115 per participant annually (\$28.75 per quarter)
- 457(b) Plan - \$20 per participant annually (\$5.00 per quarter)
- FICA Alt - \$1.50 per participant annually (\$0.37 per quarter), and

WHEREAS, the Consultant, when recommending this new fee structure, informed the Retirement Commission that implementation of the above proposal will result in recordkeeping fees being reduced by over \$100,000 per year with the transition to a “per participant” charge, and

WHEREAS, the Consultant has recommended the following transition from collective investment trusts to Empower commingled separate accounts with the same manager and fee level as part of the negotiated fee reduction:

- Mid Cap Value R1 (American Century MCV) – change to American Century Mid Cap Value (IS)
- GG EuroPacific Growth Trust R1 (American Funds) – change to EuroPacific Growth SA (IS)

WHEREAS, the Consultant also recommended that, as part of the fee reduction restructuring, that the Retirement Commission approve reimbursing current Participants of the Plans a pro-rata portion of some or (the majority) 2024 fees using the Plans’ expense account, and



WHEREAS, the Consultant further recommended that, as part of the fee reduction restructuring, that the Retirement Commission utilize the DC Plan forfeiture accounts to pay future Empower and Consultant fees incurred by that Plan, as long as sufficient funds are available, and

WHEREAS, Wayne County Participant forfeitures will be used to pay plan expenses incurred by Wayne County Participants and Wayne County Airport Authority (“WCAA”) forfeitures will be used to pay plan expenses incurred by WCAA Participants, and

WHEREAS, in light of the foregoing and upon consultation with its Investment Consultant, the Retirement Commission desires to accept the new fee structure with Empower and negotiate a new agreement for recordkeeping services, therefore be it

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Accept the written recommendation from its Consultant concerning the proposed new per participant fee structure and fee reduction for recordkeeping services from Empower and the transition to Empower owned commingled separate accounts, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Approve the proposed new per participant fee structure and fee reduction from Empower as part of a new five-year agreement for recordkeeping services, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Approve the transition to Empower commingled separate accounts as recommended by the Consultant described above, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Approve the reimbursement of a pro-rata portion of the 2024 fees to current Participants of the Plans using the Plans’ expense account, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Approve the utilization of the DC Plan forfeiture accounts (Wayne County and WCAA) to pay future Empower and Consultant fees, as long as sufficient funds are available, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Direct Special Legal Counsel VMT Law, P.C., to negotiate a new five-year agreement with Empower consistent with existing terms and conditions that will include the proposed new fee structure and reduction, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Authorize the Chair or Vice-Chair to execute the agreement negotiated by the Executive Director, Consultant, and Special Legal Counsel, and be it further

RESOLVED, by the Wayne County Employees’ Retirement Commission, that a copy of the Resolution be forwarded to all appropriate parties.

The motion was supported by Mr Martin and carried unanimously 6-0.

Mr. Simone moved the adoption of the following resolution:



WHEREAS, the Retirement Commission of the Wayne County Employees' Retirement System (the "Retirement Commission") is vested with the fiduciary responsibility for the proper administration, management and operation of the Retirement System, and for making effective the Retirement System provisions, and

WHEREAS, the Retirement Commission notes the provisions of Section 141-35(f)(5) of the Retirement Ordinance and Section 13(5) of Public Act 314 of 1965, as amended [MCL 38.1133(5)], authorize the Retirement Commission to use a portion of the Retirement System's income to defray the costs of investing, managing, and protecting the assets of the system, as well as retaining the services necessary for the conduct of the affairs of the system, including investment advisors and consultants, and

WHEREAS, the Retirement Commission is of the considered opinion that it is in the best interest of Plan Members and Beneficiaries for the Retirement Commission to retain an independent Consultant with expertise with Michigan public employee retirement systems to serve as Investment Consultant to the Retirement Commission for its Defined Benefit, Defined Contribution and Deferred Compensation Plans ("Plans") and to provide Participant Education Consulting Services to Plan Participants, and

WHEREAS, the Retirement Commission has an established relationship with Mr. VandenHaute of Titan Wealth Advisors and SAM ("Consultant") which have provided the Retirement Commission with investment consulting services since 2018, and

WHEREAS, as part of its due diligence and review of its Participant Education Consulting Services, the Retirement Commission reviewed the education and advice being offered light of: (1) the historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Retirement Commission's goal of offering Participants the opportunity to maximize future gains without overly increasing risk or volatility at the lowest cost, and

WHEREAS, the Consultant has worked with the Executive Director to negotiate fee savings with investment managers and recordkeepers in excess of around \$2 million annually for Members, Participants and Beneficiaries, and

WHEREAS, the Consultant, in consultation with the Executive Director, has proposed a new fee agreement the Consultant's fee for Participant Education Consulting Services to a reduced fixed annual fee, and

WHEREAS, the Retirement Commission further desires to amend the Consultant investment consulting agreements to no longer include direct out-of-pocket expenses incurred while performing services for the Retirement System including travel related to manager due diligence, vendor due diligence and management, or specific educational conference requests, and

WHEREAS, the Retirement Commission has thoroughly reviewed and discussed the investment and education services provided by Consultant with Special Legal Counsel VMT Law, P.C., and its Executive Director, and



WHEREAS, the Retirement Commission has determined that the retention of Consultant is in the best interest of the Retirement System and will further promote the independence and objectivity of the management of the Defined Benefit and Defined Contribution Plans and provide Participants with Education Consulting Services, and therefore be it

RESOLVED, by the Wayne County Employees' Retirement Commission, that in accordance with the provisions of the Plans and pursuant to the terms and conditions outlined in the existing agreement for Participant Education Consulting Services, the Retirement Commission hereby Accepts the proposal of the Consultant, Mr. VandenHaute of Titan Wealth Advisors and SAM ("Consultant"), to reduce the fee for Participant Education Consulting Services, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Amend its investment consulting agreements with the Consultant with respect to direct out-of-pocket expenses incurred while performing services for the Retirement System including travel related to manager due diligence, vendor due diligence or management, or specific educational conference requests, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize Special Legal Counsel to prepare the necessary amendments to the Consultant's agreements, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize the Chair or Vice-Chair of the Wayne County Employees' Retirement Commission to execute the necessary contractual documentation to accept the new proposal to reduce the fees for the Participant Education Consulting Services offered by the Consultant and amend its investment consulting agreements to be consistent therewith, and be it further

RESOLVED, that a copy of this resolution shall be forwarded to the Consultant and all other appropriate parties.

The motion was supported by Mr. Tom Yee and carried unanimously 6-0.

4. Consideration of an Executive Summary highlighting the plan details for both Wayne County and Wayne County Airport Authority presented by Titan Wealth Advisors.

Mr. Simone moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission to Receive & File the Executive Summary highlighting the plan details for both Wayne County and Wayne County Airport Authority presented by Titan Wealth Advisors.

The motion was supported by Mr. Tom Yee and carried unanimously 6-0.

5. Consideration of a Fiduciary Investment Review report, December 31, 2024, from Titan Wealth Advisors on the 401(a) Defined Contribution Plan/457(b) Deferred Compensation Plan and the FICA Alternative Plan.



Mr. Tom Yee moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission to Receive and File the Fiduciary Investment Review report, December 31, 2024, from Titan Wealth Advisors on the 401(a) Defined Contribution Plan/457(b) Deferred Compensation Plan and the FICA Alternative Plan.

The motion was supported by Ms. Misuraca and carried unanimously 6-0.

6. Consideration of a Plan Summary report, ending December 31, 2024, from Empower Retirement on the Wayne County 401(a) Defined Contribution Plan/457(b) Deferred Compensation Plan and the FICA Alternative Plan.

Mr. Tom Yee moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission to Receive and File the Plan Summary report, ending December 31, 2024, from Empower Retirement on the Wayne County 401(a) Defined Contribution Plan/457(b) Deferred Compensation Plan and the FICA Alternative Plan.

The motion was supported by Mr. Ron Yee and carried unanimously 6-0.

7. Consideration of a Plan Summary report, ending December 31, 2024, from Empower Retirement on the Wayne County Airport Authority 401(a) Defined Contribution Plan/457(b) Deferred Compensation Plan.

Mr. Tom Yee moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission to Receive and File the Plan Summary report, ending December 31, 2024, from Empower Retirement on the Wayne County Airport Authority 401(a) Defined Contribution Plan/457(b) Deferred Compensation Plan.

The motion was supported by Ms. Misuraca and carried unanimously 6-0.

Stephanie Biddle and Kandie Anglin exited the meeting for the day at 11:26 am.

Chair Wilson called for a recess at 11:27 am.

The Retirement Commission returned to session at 11:38 am with the following Commissioners present: Henry Wilson, Frank Simone, Denis Martin, Tom Yee, Elizabeth Misuraca, Ron Yee.

8. Consideration of a report and recommendation from Titan Wealth Advisors on the Defined Benefit Plan regarding the leveraged loan asset class, investing in CLO Equity Manager Opportunities.

Terrilla Gee re-entered the meeting at 11:47 am.

Ms. Misuraca moved the adoption of the following resolution:



RESOLVED, by the Wayne County Employees' Retirement Commission to Receive & File the report and recommendation from Titan Wealth Advisors on the Defined Benefit Plan regarding the leveraged loan asset class, investing in CLO Equity Manager Opportunities.

The motion was supported by Mr. Martin and carried unanimously 6-0.

Mr. Simone moved the adoption of the following resolution:

WHEREAS, the Wayne County Employees' Retirement Commission (the "Retirement Commission") is vested with the authority for the general administration, management, and operation of the Wayne County Employees' Retirement System (the "Retirement System") and has the fiduciary responsibility to invest Retirement System assets, and

WHEREAS, the Retirement Commission, in consultation with its Investment Consultant, has recently reviewed the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Retirement Commission's goal of maximizing future gains without overly increasing risk or volatility in the portfolio, and

WHEREAS, considering the foregoing and upon consultation with its Investment Consultant, Titan Wealth Advisors, the Retirement Commission desires to make changes to its investment managers and the overall structure of its current investment portfolio, and

WHEREAS, the Retirement Commission's Investment Consultant, consistent with its role as an investment fiduciary to the Retirement System, has conducted an investment manager search and has presented the Retirement Commission with a detailed report of a prospective investment managers in the alternative asset class leveraged loan – CLO Equity for the Retirement Commission's consideration, and

WHEREAS, the Retirement Commission has reviewed and discussed the investment opportunity with prospective investment manager Canyon Partners, LLC, with its Investment Consultant, and

WHEREAS, upon the written recommendation of its Investment Consultant and the completion of its due diligence, the Retirement Commission desires to retain Canyon Partners, LLC as an Investment Manager, therefore be it

RESOLVED, by the Wayne County Employees' Retirement Commission, to Appoint Canyon Partners, LLC as an Investment Manager to the Retirement System to manage a CLO Equity Fund via the Retirement System's investment of \$10,000,000.00 in Canyon CLO Fund IV subject to the review of the Retirement Commission's designated legal counsel, VanOverbeke, Michaud & Timmony, P.C., (VMT) for qualification under Michigan Public Act 314 of 1965, as amended, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize VMT to review the offering documents of the Canyon CLO Fund IV, and negotiate an agreement consistent with the Retirement System's preferred contractual terms,



including a most favored nations provision and acknowledgment that the manager is a fiduciary to the Retirement System.

The motion was supported by Mr. Tom Yee and carried unanimously 6-0.

Mr. Simone moved the adoption of the following resolution:

WHEREAS, the Wayne County Employees' Retirement Commission (the "Retirement Commission") is vested with the authority for the general administration, management, and operation of the Wayne County Employees' Retirement System (the "Retirement System") and has the fiduciary responsibility to invest Retirement System assets, and

WHEREAS, the Retirement Commission, in consultation with its Investment Consultant, has recently reviewed the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Retirement Commission's goal of maximizing future gains without overly increasing risk or volatility in the portfolio, and

WHEREAS, considering the foregoing and upon consultation with its Investment Consultant, Titan Wealth Advisors, the Retirement Commission desires to make changes to its investment managers and the overall structure of its current investment portfolio, and

WHEREAS, the Retirement Commission's Investment Consultant, consistent with its role as an investment fiduciary to the Retirement System, has conducted an investment manager search and has presented the Retirement Commission with a detailed report of a prospective investment managers in the alternative asset class leveraged loan – CLO Equity for the Retirement Commission's consideration, and

WHEREAS, the Retirement Commission has reviewed and discussed the investment opportunity with prospective investment manager Cresent Capital, with its Investment Consultant, and

WHEREAS, upon the written recommendation of its Investment Consultant and the completion of its due diligence, the Retirement Commission desires to retain Cresent Capital as an Investment Manager, therefore be it

RESOLVED, by the Wayne County Employees' Retirement Commission, to Appoint Cresent Capital as an Investment Manager to the Retirement System to manage a CLO Equity Fund via the Retirement System's investment of \$20,000,000.00 in Cresent CLO Equity Fund II, LP subject to the review of the Retirement Commission's designated legal counsel, VanOverbeke, Michaud & Timmony, P.C., (VMT) for qualification under Michigan Public Act 314 of 1965, as amended, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize VMT to review the offering documents of the Cresent CLO Equity Fund II, LP, and negotiate an agreement consistent with the Retirement System's preferred contractual terms, including a most favored nations provision and acknowledgment that the manager is a fiduciary to the Retirement System.



The motion was supported by Mr. Tom Yee and carried unanimously 6-0.

Mr. Martin moved the adoption of the following resolution:

WHEREAS, the Wayne County Employees' Retirement Commission (the "Retirement Commission") is vested with the authority for the general administration, management, and operation of the Wayne County Employees' Retirement System (the "Retirement System") and has the fiduciary responsibility to invest Retirement System assets, and

WHEREAS, the Retirement Commission, in consultation with its Investment Consultant, has recently reviewed the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Retirement Commission's goal of maximizing future gains without overly increasing risk or volatility in the portfolio, and

WHEREAS, considering the foregoing and upon consultation with its Investment Consultant, Titan Wealth Advisors, the Retirement Commission desires to make changes to its investment managers and the overall structure of its current investment portfolio, and

WHEREAS, the Retirement Commission's Investment Consultant, consistent with its role as an investment fiduciary to the Retirement System, has conducted an investment manager search and has presented the Retirement Commission with a detailed report of a prospective investment managers in the alternative asset class leveraged loan – CLO Equity for the Retirement Commission's consideration, and

WHEREAS, the Retirement Commission has reviewed and discussed the investment opportunity with prospective investment manager Invesco, with its Investment Consultant, and

WHEREAS, upon the written recommendation of its Investment Consultant and the completion of its due diligence, the Retirement Commission desires to retain Invesco as an Investment Manager, therefore be it

RESOLVED, by the Wayne County Employees' Retirement Commission, to Appoint Invesco as an Investment Manager to the Retirement System to manage a CLO Equity Fund via the Retirement System's investment of \$10,000,000.00 in Invesco US CLO Equity Fund 5 LP subject to the review of the Retirement Commission's designated legal counsel, VanOverbeke, Michaud & Timmony, P.C., (VMT) for qualification under Michigan Public Act 314 of 1965, as amended, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize VMT to review the offering documents of the Invesco US CLO Equity Fund 5 LP, and negotiate an agreement consistent with the Retirement System's preferred contractual terms, including a most favored nations provision and acknowledgment that the manager is a fiduciary to the Retirement System.

The motion was supported by Mr. Tom Yee and carried unanimously 6-0.

Mr. Ron Yee moved the adoption of the following resolution:



WHEREAS, the Wayne County Employees' Retirement Commission (the "Retirement Commission") is vested with the authority for the general administration, management, and operation of the Wayne County Employees' Retirement System (the "Retirement System") and has the fiduciary responsibility to invest Retirement System assets, and

WHEREAS, the Retirement Commission, in consultation with its Investment Consultant, has recently reviewed the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Retirement Commission's goal of maximizing future gains without overly increasing risk or volatility in the portfolio, and

WHEREAS, considering the foregoing and upon consultation with its Investment Consultant, Titan Wealth Advisors, the Retirement Commission desires to make changes to its investment managers and the overall structure of its current investment portfolio, and

WHEREAS, the Retirement Commission's Investment Consultant, consistent with its role as an investment fiduciary to the Retirement System, has conducted an investment manager search and has presented the Retirement Commission with a detailed report of a prospective investment managers in the alternative asset class leveraged loan – CLO Equity for the Retirement Commission's consideration, and

WHEREAS, the Retirement Commission has reviewed and discussed the investment opportunity with prospective investment manager Manulife CQS Investment Management, with its Investment Consultant, and

WHEREAS, upon the written recommendation of its Investment Consultant and the completion of its due diligence, the Retirement Commission desires to retain Manulife CQS Investment Management as an Investment Manager, therefore be it

RESOLVED, by the Wayne County Employees' Retirement Commission, to Appoint Manulife CQS Investment Management as an Investment Manager to the Retirement System to manage a CLO Equity Fund via the Retirement System's investment of \$20,000,000.00 in CQS CLO Strategies Fund subject to the review of the Retirement Commission's designated legal counsel, VanOverbeke, Michaud & Timmony, P.C., (VMT) for qualification under Michigan Public Act 314 of 1965, as amended, and be it further

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize VMT to review the offering documents of the CQS CLO Strategies Fund, and negotiate an agreement consistent with the Retirement System's preferred contractual terms, including a most favored nations provision and acknowledgment that the manager is a fiduciary to the Retirement System.

The motion was supported by Mr. Simone and carried unanimously 6-0.

9. Public Comment.

There was no public comment.

10. Reconsiderations.



There were no reconsiderations.

11. Such other matters.

There were no such other matters.

12. Adjournment.

Mr. Simone moved to adjourn the meeting.

The motion was supported by Mr. Tom Yee and carried unanimously 6-0.

There being no further business to come before the Board the meeting was adjourned at 12:04 pm subject to the call of the Chair.

Respectfully submitted,



Robert J. Grden, Executive Director
Wayne County Employees' Retirement System

