RETIREE HEALTH CARE BOARD OF TRUSTEES MINUTES
May 8, 2023 Regular Meeting

A Regular Meeting of the Monroe County Retiree Health Care Board of the Trustees was held in the City of Monroe on Monday, May 8, 2023. Chairman Bob Neely called the meeting to order at 3:00 p.m.

I. ROLL CALL
Roll call by taken as follows:

Trustees Present: Dawn Asper, Michael Bosanac, Bob Neely and Steve Goodman

Trustees Absent: Sue Maier

Brian Green of AndCo and Aundrea Armstrong, Deputy Administrator/Chief Financial Officer also attended.

A quorum being present, the Board proceeded to conduct business.

II. PLEDGE OF ALLEGIANCE
Deputy Clerk, Lisa Sanders led the Pledge of Allegiance.

III. APPROVAL OF AGENDA (05/08/2023 Regular Meeting)
Motion by Michael Bosanac, supported by Dawn Asper to approve the May 8, 2023 Regular Meeting Agenda as presented.

Voice vote taken. Motion carried.

IV. APPROVAL OF MINUTES (02/13/2023 Organizational Meeting)
Motion by Dawn Asper, supported by Michael Bosanac to approve the February 13, 2023, Organizational Meeting minutes as presented and waive the reading thereof.

Voice vote taken. Motion carried.

V. PUBLIC COMMENT – None

VI. COMMUNICATIONS—None

VII. OLD BUSINESS—None

VIII. NEW BUSINESS

1. Q1 2023 Performance Report—
   Brian Green discussed the report. Values as of March 31, 2023 = 1.01 MTD, 4.92% QTD; 4.92% YTD; $105,635,561 market value.
   Year to date and long term outperformed vs. benchmark. YTD performance driven by lack of Emerging Market exposure in the International Equity portfolio. Expect numbers to be revised down slightly once Real Estate posts returns that will be slightly into negative territory (meaning single digit negative return for Real Estate).

   Discussion commenced.

   Motion by Michael Bosanac, supported by Steve Goodman to accept the report and place it on file.

   Voice vote taken. Motion carried.

2. Monroe County Retiree Health Care Consolidated Report as of March 31, 2023 from 5th/3rd Bank allocated market values of the RHC Trust among the County, Road Commission and Mental Health Authority.

   Motion by Michael Bosanac, supported by Steve Goodman to accept the Report and place it on file.

   Voice vote taken. Motion carried.

3. Asset Allocation Discussion

   Brian Green will be sending out a primer to study between this meeting and the next. Discussion commenced. Brian will let cash build up and will request that some additional research people to come to a meeting.

   Recommendations are as follows:
   - AndCo is comfortable with the current target allocations but recommends a deeper discussion around adopting either of the three presented asset mixes. Notable changes would be:
     - Mix Lower IE/Add EM (reduce Developed International, add dedicated Emerging Markets)
     - Mix Lower SC/Add FI (Lower Small Cap, Increase Fixed Income)
     - Mix Lower Small Cap/Add Direct Lending (lowers small cap, adds direct lending)
   - The increase in Fixed Income (and subsequent reduction in risk assets) provides for a more defensive position in the current market environment.
   - AndCo recommends the Board consider the following actions in the coming quarters:
     - Review developed international allocation to add an active strategy

- Review dedicated emerging market equity to add and active strategy
- Review direct lending/private credit strategies based on market opportunities

Motion by Michael Bosanac, supported by Steve Goodman to accept the report from AndCo Consulting on the RHC Asset Allocations and request investment advisor to assemble additional research folks and come back with a follow up presentation.

Voice vote taken. Motion carried.

4. Market Value Update/Liquidity Plan

Motion by Michael Bosanac, supported by Steve Goodman to accept the report and place it on file with no action being taken at this time.

Voice vote taken. Motion carried.

IX. PUBLIC COMMENT—None

X. MEMBERS TIME—

Dawn Asper—I'm always in awe and appreciate learning more and more.

Michael Bosanac—Added suggested actions and motions to the agenda just to have more structure and flow.

Steve Goodman—Interested in learning more about Direct Lending.

Bob Neely—Our retirees are interested in what we are doing in here.

XI. INFORMATION

1. AndCo's updated form ADV Part 2A—For information only and will be part of the permanent record.

XII. NEXT MEETING—August 14, 2023 at 3:00 p.m.

XIII. ADJOURNMENT

With no additional business to come before the Retiree Health Care Board of Trustees, Chairman Neely adjourned the meeting at 3:58 p.m.