RETIREE HEALTH CARE BOARD OF TRUSTEES MINUTES
August 14, 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, August 14, 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, Steve Goodman, Sue Maier and Bob Neely

Trustees Absent: None

Brian Green of AndCo, Aundrea Armstrong, Deputy County Administrator/CFO and Camden Regis, Road Commission also attended.

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

II. PLEDGE OF ALLEGIANCE
Michael Bosanac led the Pledge of Allegiance.

III. APPROVAL OF AGENDA (08/14/2023 Regular Meeting)
Motion by Michael Bosanac, supported by Dawn Asper to approve the August 14, 2023 Regular Meeting Agenda as presented.

Voice vote taken. Motion carried.

IV. APPROVAL OF MINUTES (05/08/2023 Regular Meeting)
Motion by Steve Goodman, supported by Dawn Asper to approve the May 08, 2023, Regular 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. Q2 2023 Performance Report—
   Brian Green discussed the report. Values as of June 30, 2023 = 4.05 MTD, 3.87% QTD; 8.99% YTD; $110,934,791 market value.

   Year to date and long-term outperformance vs. benchmark. YTD outperformance driven by lack of Emerging Market exposure in the International Equity portfolio and outperformance from Boyd Fixed and Boyd GSA.

   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 July 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 Dawn Asper to accept the Consolidated Report and place it on file.

   Voice vote taken. Motion carried.

3. Recommended Rebalance/Market Value Update Discussion—
   Brian Green discussed 2 components that they would like to consider adding to the portfolio
   - A dedicated allocation/manager to Emerging Markets
   - Adding some exposure to Direct Lending or Private Lending to the portfolio

   Recommended rebalance of the portfolio as detailed below:

Fidelity S&P 500 Index	Reduce by ($1,330,000)
Fidelity Extended Market Index	Increase by $127,000
Ancora Small/Mid	Increase by $187,000
Clarkston Small/Mid	Increase by $616,000
Vanguard Developed Markets	Reduce by ($4,000,000)
Dedicated Emg Mkts Allocation	Increase by $4,400,000

   The primary objective of the rebalance is to raise cash from those areas of the portfolio that have had the strongest gains so far this year and bring them back closer to their long-term targets. Discussion commenced.

4. Emerging Markets Search/Recommendation—
   Brian Green discussed investing $4.4 million into an emerging market strategy. AndCo recommends the ABS Emerging Markets Strategic or the Vanguard Emerging Markets Select Stock portfolios. Both are well-diversified strategies with strong, long-term track records. Both are built from a multi-manager approach, offering diversity of portfolio construction that differs from their peers that are all single strategy focused. You cannot invest in Emerging Markets without investing in China. History shows that excluding China from your portfolio, it has been to the detriment of the investor. Roughly, 1/3 of the portfolio is invested in China.

   Investment Consultant recommends investing $4.4 million into the Vanguard Emerging Markets Select Mutual Fund funded via the rebalance as detailed in the earlier agenda item.

   Motion by Michael Bosanac, supported by Dawn Asper to invest $4.4 million into the Vanguard Emerging Markets Select Mutual Fund funded via the rebalance as detailed in the earlier agenda item.

   Voice vote taken. Motion carried.

5. Private Credit Direct Lending Search/Recommendation—
   Brian Green explained the investment and recommended committing $2.8 million into Monroe Capital Fund V. After some discussion, the members decided to table this item and vote at the November meeting. A meeting with the fund manager will be scheduled before the end of September.

IX. PUBLIC COMMENT—None

X. MEMBERS TIME—
Michael Bosanac—Brian, I appreciate all the information you provided.

XI. INFORMATION
1. Monroe County Retiree Health Care Valuation as of December 31, 2022—Michael Bosanac commented that this report is in the packet. It's County only. Funded at just over 101%
2. Notice of Transaction-Ancora—was covered earlier

XII. NEXT MEETING—November 13, 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 4:40 p.m.