

**MINUTES OF THE REGULAR MEETING OF  
SOUTHFIELD FIRE & POLICE RETIREMENT SYSTEM BOARD**

**January 12, 2016**

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The Board convened in Police Headquarters Building, 2<sup>nd</sup> Floor Conference Room at 9:00 a.m. with President Fisher presiding.

PRESENT: John Fisher, Shawn Wells, Audrey Harvey

ABSENT: Irv Lowenberg, Duane Garth

ALSO

PRESENT: Michael VanOverbeke/Legal Counsel, George Vitta/Asset Consultant, Megan Battersby/Retirement Program Administrator, Lauri Siskind/HR Director

**R.B. 16-001** MOTION by Wells, supported by Harvey, to approve the December 8, 2015 regular meeting minutes. MOTION CARRIED UNANIMOUSLY

**R.B. 16-002** MOTION by Wells, supported by Harvey, to acknowledge receipt of the Cash & Asset Statement as of November 30, 2015 in the amount of \$189,554,618.74. MOTION CARRIED UNANIMOUSLY

**R.B. 16-003** MOTION by Harvey, supported by Wells, to approve payment of invoices as follows: Invoice from Chase for VISA charges for the period 11/03/15 – 12/02/15 in the amount of \$250.00; Invoice from The Northern Trust Company for total services for the period ending 12/31/15 in the amount of \$19,696.36; Invoice from VanOverbeke Michaud & Timmony, P.C. for legal services rendered for the period July 1, 2015 through September 30, 2015 in the amount of \$6,155.75; Invoice from Med Source Services/Consulting Physicians for disability reexamination for M. S. Ferrari in the amount of \$1,350.00; Invoice from MAPERS for 2016 annual dues in the amount of \$100.00. MOTION CARRIED UNANIMOUSLY

**R.B. 16-004** MOTION by Wells, supported by Harvey, to acknowledge receipt of the Informational Items including YTD 2015/2016 Budget and Correspondence received during the period December 8, 2015 through January 11, 2016. MOTION CARRIED UNANIMOUSLY

**R.B. 16-005** MOTION by Wells, supported by Harvey, to acknowledge receipt of DROP Applications from C. Thomas, T. Rettschlag, P. Otenbaker, K. Polk, G. Gorski, J. Medici, A. Skierski, N. Loussia, E. Hawkins. MOTION CARRIED UNANIMOUSLY

**R.B. 16-006** MOTION by Wells, supported by Harvey, to acknowledge receipt of Retirement Applications from N. Schneider. MOTION CARRIED UNANIMOUSLY

**R.B. 16-007** MOTION by Wells, supported by Harvey, to acknowledge receipt of DROP Distribution Election from J. Fisher, M. Wood, R. Pollock. MOTION CARRIED UNANIMOUSLY

**R.B. 16-008** MOTION by Wells, supported by Harvey, to acknowledge receipt of Annuity Withdrawal Distribution Elections from N. Schneider. MOTION CARRIED UNANIMOUSLY

In the legislative update, legal counsel indicated that the Governor, through his staff, wants to team with MAPERS to try to determine how to identify troubled plans. Health care would be a key item as well as reporting funding status on a uniform basis.

It was noted last month that expenses for Avignon were running higher than expected. The consultant indicated that the direct cost of owning the property for the next six months is estimated to be approximately \$39,000. The Board asked that Mr. Byron be available at the February meeting to answer any questions the Trustees have.

Mr. VanOverbeke added that he wanted to reiterate that it was appropriate for the Plan to pay for expenses related to GASB 67 while it was also appropriate for the City to pay for expenses related to GASB 68. An appropriate Plan expense is any expense that is appropriate and necessary. Act 345 plans are required to have an audit and that is why GASB 67 expenses are appropriate to be paid by the Plan.

**R.B. 16-009** MOTION by Wells, supported by Harvey, to approve the Legal Report. MOTION CARRIED UNANIMOUSLY

It was noted that the P&I subscription issue was resolved and Trustees Garth and Wells would be getting free subscriptions in the future.

The Administrative Calendar was reviewed and annual verification forms were discussed. It was decided that verification forms would continue to be mailed to retirees annually but in October rather than March. The election process for Police and Fire Representatives was also added to the calendar.

**R.B. 16-010** MOTION by Harvey, supported by Wells, to approve the Administrative Calendar for 2016 with the discussed changes. MOTION CARRIED UNANIMOUSLY

Review of the Retirement Program Administrator was tabled until the end of the meeting.

Mr. Vitta presented the economic and capital markets update for December. It was a weak December but strong quarter. Major areas of concern were all tied to China. The fourth quarter results will be presented next month as well as a 2016 projection.

**R.B. 16-011** MOTION by Wells, supported by Harvey, to approve the Investment Report. MOTION CARRIED UNANIMOUSLY

**R.B. 16-012** MOTION by Wells, supported by Harvey, to approve payment of invoices as follows: Invoice from Asset Strategies for investment consulting services for December, 2015 in the amount of \$8,502.69; Invoice from Villages of Avignon CDD for reimbursable GSG expenses as of 12/09/15 in the amount of \$2,933.32; Invoice from Villages of Avignon CDD for reimbursable Clark & Albaugh expenses as of 12/09/15 in the amount of \$5,837.50; Invoice from Villages of Avignon CDD for reimbursable Clark & Albaugh expenses for May 1, 2015 in the amount of \$156.00; Invoice from Livingston York Advisors for Avignon property management consulting for the period 10/1/15 – 12/31/15 in the amount of \$1,050.00. MOTION CARRIED UNANIMOUSLY

It was restated that there is no change to the liquidity and rebalancing schedule and no withdrawals are required from January – June. The \$8 mill redemption from Nantucket will be reinvested and the Plan is currently under allocated in US Equities, International Equities and Bonds.

**R.B. 16-013** MOTION by Wells, supported by Harvey, to reinvest \$8.0 mill of the redemption from Nantucket as follows: \$2.0 mill to LS Investment Advisors, \$1.5 mill to Loomis Sayles Large Cap Value, \$1.0 mill to NT S&P 400 Enhanced, \$1.5 mill to Bradford & Marzec and \$2.0 mill to Loomis Sayles Core Plus. MOTION CARRIED UNANIMOUSLY

**R.B. 16-014** MOTION by Wells, supported by Harvey, to approve the updated Legal Notice to reflect the change in meeting location to Police Headquarters, 2<sup>nd</sup> Floor Conference Room. MOTION CARRIED UNANIMOUSLY

**R.B. 16-015** MOTION by Harvey, supported by Wells, to go into closed session to discuss personal matters as requested by the Retirement Program Administrator. Roll Call: Fisher-Yes, Wells-Yes, Harvey-Yes. MOTION CARRIED UNANIMOUSLY

**R.B. 16-016** MOTION by Harvey, supported by Wells, to come out of closed session. Roll Call: Fisher-Yes, Wells-Yes, Harvey-Yes. MOTION CARRIED UNANIMOUSLY

**R.B. 16-017** MOTION by Harvey, supported by Wells, to grant a three year contract extension to the Retirement Program Administrator through December 31, 2018 which includes a 2% wage increase effective January 1, 2016, a 2% wage increase effective January 1, 2017 and a 2% wage increase effective January 1, 2018, a 90 day termination notice by the Retirement System and an additional week of vacation effective January 1, 2018. MOTION CARRIED UNANIMOUSLY

**R.B. 16-018** MOTION by Wells, supported by Harvey, to start the election process and adopt the guidelines for Notice of Nomination & Election of Police Representative to the Southfield Fire & Police Retirement System Board for the Term of Office Commencing April 1, 2016 and Expiring March 31, 2020. MOTION CARRIED UNANIMOUSLY

Meeting adjourned at 11:01 a.m.

Prepared by Megan Battersby  
Retirement Program Administrator

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Audrey Harvey, Secretary