

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

January 17, 2017

The Board convened in Training Room 2 in the Human Resources Department at 9:00 a.m. with President Fisher presiding. The Meeting was started at 9:15 a.m.

PRESENT: John Fisher, Shawn Wells, Duane Garth, Audrey Harvey, Irv Lowenberg

ABSENT:

ALSO

PRESENT: Michael VanOverbeke/Legal Counsel, Brian Green/Investment Consultant, Megan Battersby/Retirement Program Administrator

R.B. 17-001 **MOTION** by Harvey, supported by Wells, to approve the December 13, 2016 meeting minutes. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-002 **MOTION** by Lowenberg, supported by Wells, to acknowledge receipt of the Cash & Asset Statement as of November 30, 2016 in the amount of \$190,236,383.51. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-003 **MOTION** by Harvey, supported by Lowenberg, to approve payment of invoices as follows: Invoice from The Northern Trust Company for asset management fees for the period October 1 – December 31, 2016 in the amount of \$1,785.23; Invoice from The Bogdahn Group for investment consulting services for December, 2016 in the amount of \$8,804.38. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-004 **MOTION** by Wells, supported by Lowenberg, to acknowledge receipt of the Informational Items including YTD 2016/2017 Budget and Correspondence received during the period December 13, 2016 through January 13, 2017. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-005 **MOTION** by Wells, supported by Fisher, to acknowledge receipt of DROP Applications from E. Schenkus, T. Gougeon, E. Maresh, R. Lecouffe, W. Smarsty, S. Dickey, T. Lewinski, W. Bounds, M. Duff and S. Rata. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-006 **MOTION** by Wells, supported by Fisher, to acknowledge receipt of Retirement Applications from M Poske and D. Clevenger. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-007 **MOTION** by Wells, supported by Harvey, to acknowledge receipt of DROP Distribution Elections from S. Lasota and M. Collins. **MOTION CARRIED UNANIMOUSLY**

R.B. 17-008 **MOTION** by Harvey, supported by Wells, to acknowledge receipt of Annuity Withdrawal Distribution Election from D. Clevenger. **MOTION CARRIED UNANIMOUSLY**

In the legislative update, legal counsel indicated that the Governor and Legislators do intend to address retiree health care again in the New Year. It is on their agenda and they are targeting April, but have promised to be inclusive of all parties and suggestions as the legislation is drafted. Wayne County is working on consolidating retiree efforts. A memorandum update regarding New Amendments to Act 314 was discussed. Public Act 530 of 2016 was signed into law on January 5, 2017 and amends Act 314 of 1965 by requiring the retirement system's summary annual report to include the actuarial assumed rate of health care inflation, requiring the system's investment fiduciary to submit its summary annual report to the Department of Treasury not less than 30 days after publication, requiring the Department of Treasury to post an executive summary of each summary annual report received, and requiring a system which is less than 60% funded to post on the internet an informational report outlining the steps, if any, the system may be taking to decrease its unfunded actuarial accrued liability.

A final draft of the Request For Information (RFI) was reviewed with discussion on who should receive the request. It was decided to issue the RFI to all 21 on the suggested list. Any Board member who wanted to add to the list could provide the name and contact information to the Retirement Program Administrator by January 30.

R.B. 17-009 MOTION by Harvey, supported by Lowenberg, to approve the final Request For Proposal and instruct that the Retirement Program Administrator mail it on February 1, 2017 with a required submission date of March 15, 2017. MOTION CARRIED UNANIMOUSLY

R.B. 17-010 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, Lowenberg-Yes, Garth-Yes. MOTION CARRIED UNANIMOUSLY

R.B. 17-011 MOTION by Harvey, supported by Wells, to come out of closed session. Roll Call: Fisher-Yes, Wells-Yes, Harvey-Yes, Lowenberg-Yes, Garth-Yes. MOTION CARRIED UNANIMOUSLY

The Board President will be responsible for meeting with the Retirement Program Administrator to go over the Board's discussion and comments after the meeting today.

The 2017 Administrative Calendar was reviewed and it was noted that the term for Duane Garth is set to expire in May, 2017 and that the term for Audrey Harvey is set to expire in October, 2017.

R.B. 17-012 MOTION by Fisher, supported by Wells, to approve the 2017 Administrative Calendar as presented and instruct the Retirement Program Administrator to prepare letters of recommendation for reappointment for Duane Garth and Audrey Harvey to be sent to City Council Boards and Commissions Committee. MOTION CARRIED UNANIMOUSLY

The monthly Avignon letter from Livingston York was received. The Board discussed the participation payment the Retirement System received based on the sale of Tower 101 recently and a condition of the sale that the Retirement System would participate in sales proceeds if a certain threshold was met. The Board would like Livingston York Advisors to be available for a conference call at the February meeting.

The Invesco liquidation occurred as planned, however, there was a reorganization of one holding in November that has resulted in an expected distribution to shareholders in the first quarter of 2017. The investment consultant will have a recommendation regarding PRISA III investor fee modification at the next meeting. Brian Green provided more information regarding The Bogdahn Group name change to &Co and explained that it signifies that they are an extension of their client. The Market Update as of December 31, 2016 was distributed. Shawn Wells asked how the plan could reduce liability and become fully funded faster and a discussion ensued concerning the mechanics and limits of being fully funded from an actuarial perspective. No action was proposed.

R.B. 17-013 MOTION by Lowenberg, supported by Garth, to approve payment of the invoices from Villages of Avignon CDD for District Management Fees for December, 2016 and other reimbursable expenses in the amounts of \$5,596.64 and \$984.01. MOTION CARRIED UNANIMOUSLY

R.B. 17-014 MOTION by Lowenberg, supported by Wells, to approve payment of the invoice from GRS for EDRO Calculations for T. Boal and G. Rizzo in the amount of \$825.00. MOTION CARRIED UNANIMOUSLY

R.B. 17-015 MOTION by Wells, supported by Garth, to approve payment of the invoice from Livingston York Advisors for asset consulting fees for the period 10/1/16 – 12/31/16 in the amount of \$1,950.00 and travel expenses for site visit on Nov. 20-21, 2016 in the amount of \$620.65. MOTION CARRIED UNANIMOUSLY

Meeting adjourned at 11:31 a.m.

Prepared by Megan Battersby
Retirement Program Administrator

Approved by Board Motion on February 14, 2017