

**CITY OF SOUTHFIELD
REGULAR MEETING
SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM BOARD
Tuesday, October 20, 2015
Human Resources Department – Main Municipal Building – Second Floor
26000 Evergreen Road, Southfield, MI**

MINUTES

SERS Board Members Present: I. Susan Mannisto, Chair; Coretta Houge; Jeannie Jackson; Mark Jubas; Shirley Lightsey (*Alternate*); Julius Maisano; James Pierce

SERS Board Members Absent: David Hersh

Others Present: Lauri Siskind, Human Resources Director/SERS Plan Liaison
Christopher Kuhn, The Bogdahn Group
Michael VanOverbeke; VanOverbeke, Michaud & Timmony, PC
Penelope Scharmberg, Administrative Assistant HR/LR/SERS Secretary

The meeting was called to order at 5:47 p.m.

AGENDA

1. *Approval of Agenda.*
MOTION #S-15-164
Motion by Jubas, supported by Pierce to approve the agenda of the October 20, 2015 SERS Regular meeting.
Motion carried.

MINUTES

1. *Review and approve Minutes of the Southfield Employee Retirement System Board Special Meeting of September 30, 2015.*
MOTION #S-15-165
Motion by Pierce, supported by Houge to approve the Minutes of the Southfield Employee Retirement System Board Special Meeting of September 30, 2015.
Motion carried.

APPLICATIONS FOR RETIREMENT

1. *Review and approve Application for Early Retirement from Judith Ventura, Human Services Department, effective October 17, 2015.*
MOTION #S-15-166
Motion by Pierce, supported by Jackson to approve the Application for Early Retirement from Judith Ventura, Human Services Department, effective October 17, 2015.
Motion carried.

AUTHORIZATION OF BENEFITS

1. *Review and approve monthly benefit payment to Audrey Voulgaris.*
MOTION #S-15-167
Motion by Pierce, supported by Jubas to approve monthly benefit payment to Audrey Voulgaris.
Motion carried.
2. *Review and approve monthly benefit payment and distribution of lump sum contributions to Deborah Rebh, 46th District Court.*
MOTION #S-15-168
Motion by Pierce, supported by Jubas to approve monthly benefit payment and distribution of lump sum contributions to Deborah Rebh, 46th District Court.
Motion carried.

3. *Review and approve monthly benefit to Eileen Droste, surviving spouse of Harold Droste.*
MOTION #S-15-169
Motion by Pierce, supported by Jubas to approve monthly benefit to Eileen Droste, surviving spouse of Harold Droste.
Motion carried.
4. *Review and approve monthly benefit to David Rydell, surviving spouse of Susan Rydell.*
MOTION #S-15-170
Motion by Pierce, supported by Jubas to approve monthly benefit to David Rydell, surviving spouse of Susan Rydell.
Motion carried.
5. *Review and approve corrected monthly benefit payment to Cynthia Puls.*
MOTION #S-15-171
Motion by Pierce, supported by Jubas to approve corrected monthly benefit payment to Cynthia Puls.
Motion carried.

QEBA

1. *Review and authorize adjusted retirement benefits for Michael Habowski, per IRC Section 415(b), for the month of December 2015.*
Ms. Siskind reminded the board that every year since Mr. Habowski's retirement, the actuary calculates the payment that will have to be made from the Qualified Excess Benefit Arrangement (QEBA) for the current year based on the requirements of current IRC Section 415 dollar limit. Only the December 2015 payment will be affected. In January 2016, payments will resume from the SERS account.
MOTION #S-15-172
Motion by Pierce, supported by Houge to authorize the adjusted retirement benefits for Michael Habowski, per IRS Section 415, for the month of December 2015.
Motion carried.
2. *Review and approve distribution of adjusted QEBA payment to Michael Habowski for the month of December 2015.*
MOTION #S-15-173
Motion by Pierce, supported by Houge to approve distribution of adjusted QEBA payment to Michael Habowski for the month of December 2015.
Motion carried.

INVESTMENT CONSULTANT

1. *Portfolio Review.*
Mr. Kuhn reported this month was even with last month, and the market last quarter was down about 5%. SouthernSun was down 17%. They have exposure to oil, agriculture, China and foreign currency all of which have been hit with a downturn due to economic slowdowns. There is no plan to change investment strategy with their belief that the economy will turn around. Mr. Kuhn suggested keeping them on watch for a while longer; however, he would provide small cap core comparisons for the board to review.
2. *Consultant Recommendations.*
Mr. Kuhn had no recommendations at this time.
MOTION #S-15-174
Motion by Pierce, supported by Houge to receive and file the SERS performance review presented by Christopher Kuhn, The Bogdahn Group, investment consultants.
Motion carried.

LEGAL REPORT

Mr. VanOverbeke reported that a matter had come before him regarding deferred vested termination of employment and subsequent reemployment for which there are no guidance provisions in the plan. He suggested, as an administrative measure with the help of Ms. Siskind, drafting a policy resolution to cover all scenarios that are not directly answered in the ordinance.
There was a consensus of the board to begin the policy resolution.

FINANCIAL REPORT

The board reviewed the SERS financial reports for July and August showing a market value of \$104,015,261 on August 31, 2015.

MOTION #S-15-175

Motion by Houge, supported by Pierce to receive and file the SERS financial reports for periods ending July 31, 2015 and August 31, 2015.

Motion carried.

FINANCIAL MATTERS

1. *Review and approve reimbursement to Jeannie Jackson for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015.*

MOTION #S-15-176

Motion by Houge, supported by Maisano to approve reimbursement to Jeannie Jackson for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015.

Motion carried.

2. *Review and approve reimbursement to Shirley Lightsey for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015*

MOTION #S-15-177

Motion by Houge, supported by Maisano to approve reimbursement to Shirley Lightsey for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015.

Motion carried.

3. *Review and approve reimbursement to L. Susan Mannisto for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015*

MOTION #S-15-178

Motion by Houge, supported by Maisano to approve reimbursement to L. Susan Mannisto for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015.

Motion carried.

4. *Review and approve reimbursement to Coretta Houge for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015*

MOTION #S-15-179

Motion by Houge, supported by Maisano to approve reimbursement to Coretta Houge for expenses incurred during attendance at the MAPERS Fall Conference, Grand Traverse Resort & Spa, Acme, MI, September 26-29, 2015.

Motion carried.

5. *Review and approve payment to SouthernSun Asset Management for management consultant services for the period 7/1/15 – 9/30/15, in the amount of \$35,436.00.*

MOTION #S-15-180

Motion by Houge, supported by Maisano to approve payment to SouthernSun Asset Management for management consultant services for the period 7/1/15 – 9/30/15, in the amount of \$35,436.00.

Motion carried.

6. *Review and approve payment to LSV Investment Management for management consultant services for the period 7/1/15 – 9/30/15, in the amount of \$20,500.00.*

MOTION #S-15-181

Motion by Houge, supported by Maisano to approve payment to LSV Investment Management for management consultant services for the period 7/1/15 – 9/30/15, in the amount of \$20,500.00.

Motion carried.

7. *Review and approve payment to WCM Investment Management for management consultant services for the period 7/1/15 – 9/30/15, in the amount of \$16,586.00.*

MOTION #S-15-182

Motion by Houge, supported by Maisano to approve payment to WCM Investment Management for management consultant services for the period 7/1/15 – 9/30/15, in the amount of \$16,586.00.

Motion carried.

8. *Review and approve payment to Cardmember Service for MasterCard Platinum Business Rewards Credit Card activity during the period 9/4/15 – 10/5/15.*

MOTION #S-15-183

Motion by Houge, supported by Maisano to approve payment to Cardmember Service for MasterCard Platinum Business Rewards Credit Card activity during the period 9/4/15 – 10/5/15.

Motion carried.

PUBLIC COMMENTS

No visitor wished to make a comment.

OTHER BUSINESS

Mr. Kuhn informed the board that The Bogdahn Group had doubled in size with Brian Green joining the firm. They were currently scoping office space to accommodate the Michigan office. He also mentioned he would email the market values to the board members when he got home.

To Do List

- Service Provider Review – Actuarial RFI (JBP & LS)
- Service Provider Review – Attorney
- Pending Board Policies: (may be part of other policies)
 - Record Retention
 - Proxy Voting/Corporate Governance
- Pension Benefit Calculator (demonstration at next meeting)
- Update on SERS Weblink
- Reschedule Retirement Workshop

With no further business to come before the board, a motion to adjourn was raised.

MOTION #S-15-184

Motion by Houge, supported by Jubas to adjourn the Southfield Employee Retirement System Board's October 20, 2015 Regular Meeting at 6:42 p.m.

Motion carried.

*Approved this 17th day of November 2015
L. Susan Mannisto, Chair
Southfield Employee Retirement System Board*