

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

October 9, 2018

The Board convened in Council Study at 11:30 a.m. with President Fisher presiding. The Meeting was started at 11:45 p.m.

PRESENT: John Fisher, Duane Garth, Allyson Bettis (Deputy City Treasurer for Irv Lowenberg)

ABSENT: Audrey Harvey, Irv Lowenberg, Brent Wilson

ALSO

PRESENT: Michael VanOverbeke/Legal Counsel, Brian Green/Investment Consultant, Megan Battersby/Retirement Program Director, Lauri Siskind/HR Director, Chris Harms and Chris Lazarro/Loomis Sayles, Tracy DeAndrea and Greg Haendel/Tortoise

R.B. 18-112 **MOTION** by Garth, supported by Fisher, to approve the September 18, 2018 meeting minutes. **MOTION CARRIED UNANIMOUSLY**

R.B. 18-113 **MOTION** by Garth, supported by Fisher, to acknowledge receipt of the Cash & Asset Statement as of August 31, 2018 in the amount of \$200,812,011.61. **MOTION CARRIED UNANIMOUSLY**

R.B. 18-114 **MOTION** by Fisher, supported by Garth, to approve payment of invoices as follows: Invoice from AndCo for investment consulting services for the period July – September 2018 in the amount of \$25,500.00; Invoice from International Foundation of Employee Benefit Plans for 2019 membership dues in the amount of \$1,050.00; Expense report from M. Battersby for MAPERS Fall Conference; Expense report from J. Fisher for MAPERS Fall Conference; Expense report from B. Wilson for MAPERS Fall Conference. **MOTION CARRIED UNANIMOUSLY**

R.B. 18-115 **MOTION** by Garth, supported by Fisher, to acknowledge receipt of Informational Items as follows: YTD 2018/2019 Budget; Correspondence received during the period September 18, 2018-October 8, 2018 including letter to City Council and letter to Representative Lawrence. **MOTION CARRIED UNANIMOUSLY**

R.B. 18-116 **MOTION** by Fisher, supported by Garth, to approve Retirement Applications from G. Gekiere (12/09/18) and A. Kennedy (11/26/18). **MOTION CARRIED UNANIMOUSLY**

R.B. 18-117 **MOTION** by Fisher, supported by Garth, to approve Annuity Withdrawal Distribution Elections from J. Woodside and A. Kennedy. **MOTION CARRIED UNANIMOUSLY**

Legal counsel discussed a memo to the Board regarding Uniform Actuarial Assumptions. On September 25, 2018, the State Treasurer published the uniform actuarial assumptions to be implemented for local units of government with a fiscal year end after December 31, 2018. Each actuarial assumption was discussed and, overall, legal counsel is pleased that Treasury listened to input. He suspects that there will

be some movement in Lansing come the first of the year but, for now, this stands. He reminded the Board that these assumptions are for reporting purposes only and not for funding purposes.

R.B. 18-118 MOTION by Garth, supported by Fisher, to accept the legal report as presented. MOTION CARRIED UNANIMOUSLY

Review of Plan Actuary is on the Administrative Calendar for 2018. Legal counsel advised that, per new requirements, the Plan will have to either hire a new actuary or have a peer review done of the current actuary within the next seven years. If the Board desired to issue a RFI, it could include an actuarial audit component. That noted, he would recommend that the next experience study (scheduled for 6/30/2020) be completed and then have a peer review of the actuarial valuation and experience study done together. It was the consensus of the Board that all were satisfied and comfortable with current actuarial services and no action needed to be taken at this time.

The Board reviewed the Avignon monthly update letter. The closing is still on track to take place on or before November 15, 2018. The purchaser has been asked whether he wants to take assignment of the existing Funding Agreement between SFPRS Avignon, Inc. and the Villages of Avignon CDD. If he does not, a termination notice will be sent to the CDD on October 12 in order to protect SFPRS from any post-closing obligations to fund the CDD under the Agreement.

R.B. 18-119 MOTION by Fisher, supported by Garth, to authorize Livingston York to send a termination notice to the Villages of Avignon CDD on behalf of SFPRS Avignon, Inc. in the event the purchaser does not wish to take assignment of the existing Funding Agreement between SFPRS Avignon, Inc. and the Villages of Avignon CDD. MOTION CARRIED UNANIMOUSLY

The monthly market update was reviewed and discussed. The month was a mixed bag of mostly positive but a few negative returns. We are currently experiencing the best labor market this generation has seen. The investment consultant would like to explore Real Estate Debt next month with a manager analysis. Approximately \$10 mill is available in alternative investments.

R.B. 18-120 MOTION by Garth, supported by Fisher, to pay the following invoices: Invoices from Villages of Avignon CDD and Clark & Albaugh regarding normal, recurring management and legal costs as of September 12, 2018 in the total amount of \$3,449.54; Invoice from Livingston York Advisors for Avignon Property Management for the period 7/1/18 – 9/30/18 in the amount of \$1,950.00; Invoice from Chase for credit card charges for the period 09/03/18 – 10/02/18 in the amount of \$1,077.00. MOTION CARRIED UNANIMOUSLY

An investment roundtable was conducted for fixed income managers. Portfolio management staff from Tortoise and Loomis Sayles attended the meeting. Discussion items included the current fixed income markets, interest rate movements, areas of opportunity and areas of concern.

Before the meeting adjourned, the President informed the Board that he had given permission to the Retirement Program Director to explore and pursue a possible opportunity with the SERS Board upon the retirement of their current Administrator. It would involve approximately 15 hours per week and would not affect or diminish her F&P role. No objections were voiced.

Meeting adjourned at 1:11 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on November 13, 2018