

SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – August 13, 2019
P&R Room 112 – 5:45 p.m.

AGENDA

- I. Approval of Agenda
- II. Approval of Minutes
 - 1. July 16, 2019 Regular Meeting Minutes
- III. Consent Agenda
 - A. Informational Items
 - 1. WSJ article: Public Pension Funds Miss Their Mark
 - B. Reports, Financial Accounting and Cash Account
 - 1. Cash Account (Dec-18 through Jul-19)
 - C. Applications for Retirement
 - 1. S. Deckard, 10/07/2019
 - D. Authorization of Benefits
 - 1. None
 - E. Refund of Contributions
 - 1. None
 - F. Approval of Bills and Expenses
 - 1. Invoice from M. Battersby for Retirement Administration for the period July 2019 in the amount of \$2,500.00
 - 2. Invoice from Comerica Bank Mastercard Business Card for credit card purchases for the period 07/06/19 – 08/04/19 in the amount of \$1,622.23
 - 3. Invoice from LSV Asset Management for asset management services for the period April 1 to June 30, 2019 in the amount of \$17,201.00
 - 4. Invoice from Pacific Income Advisers for asset management services for the period April 1, 2019 through June 30, 2019 in the amount of \$7,645.00
 - 5. Invoice from WCM Investment Management for asset management fees for the period 04/01/2019 to 06/30/2019 in the amount of \$18,656.38
- IV. Public Comment
- V. Investment Consultant Report
 - 1. Market Update
 - 2. Asset/Manager Summary
 - 3. Matters deemed pertinent
- VI. Legal Report
 - 1. Matters deemed pertinent



Individuals with special needs who plan to attend these meetings should contact the Human Resources Department at 248-796-4700 (voice) or by email at hrrsupport@cityofsouthfield.com, if auxiliary aids or services are needed. Reasonable advance notice is required.

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – August 13, 2019
P&R Room 112 – 5:45 p.m.**

AGENDA

- VII. Retirement Administrator Report
1. Comerica STIF - Cash Sweep Fee Adjustment
 2. Service Provider Disclosures Policy Resolution
 3. Advisor and Consultant Reviews Policy Resolution
 4. Matters deemed pertinent
- VIII. Unfinished Business/Pending Matters
1. Reconciliation of City Services to SERS: Lead/Zorn, Timeframe/ASAP
 2. Trustee Handbook: Lead/Hersh, Timeframe/TBD
 3. Retirement Handbook: Lead/Maisano, Timeframe/TBD
 4. Pension Calculator: Lead/Maisano, Timeframe/Q3 2019
 5. Pension Eligibility and Calculation Demonstration: Lead/Battersby, Timeframe/Q3 2019
 6. Trust Statement Reconciliation Responsibility and Procedure: Lead/TBD, Timeframe/TBD
 7. Periodic Review of Plan Consultants and Advisors: Lead/TBD, Timeframe/TBD
- IX. New Business
1. Actuarial Services Comparison
- X. Trustee Comment/Open Forum
- XI. Adjournment



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**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – JULY 16, 2019
P&R Room 112 – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair; Mark Jubas; Ed Gardella; David Hersh; Shirley Lightsey; L. Susan Mannisto; Ron Miller; Donna Sanders (alternate)

Board Members Absent:

Others Present: Megan Battersby, Retirement Administrator/SERS; Chris Kuhn, Investment Consultant/AndCo; Frank Judd, Legal Counsel/VMT

The meeting was called to order at 6:06 p.m. by Julius Maisano, Chair

APPROVAL OF AGENDA

MOTION #S-19-071

Motion by Lightsey, supported by Jubas, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, July 16, 2019. Motion Carried Unanimously

APPROVAL OF MINUTES

1. June 18, 2019 Regular Meeting Minutes

MOTION #S-19-072

Motion by Jubas, supported by Gardella, to approve Meeting Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, June 18, 2019. Motion Carried Unanimously

CONSENT AGENDA

A. Informational Items

1. None

B. Reports, Financial Accounting and Cash Account

1. None

C. Applications for Retirement

1. None

D. Authorization of Benefits

1. None

E. Refund of Contributions

1. None

F. Approval of Bills and Expenses

1. Invoice from M. Battersby for Retirement Administration for the period June 2019 in the amount of \$2,500.00
2. Invoice from Comerica Bank Business card for credit card purchases for the period 06/06/19 – 07/05/19 in the amount of \$447.07
3. Invoice from VanOverbeke, Michaud & Timmony, P.C. for legal services rendered for the period January 1, 2019 through March 31, 2019 in the amount of \$9,576.00
4. Invoice from Walthausen & Co. for asset management fees for the period April 1, 2019 – June 30, 2019 in the amount of \$14,045.15
5. Invoice from SouthernSun Asset Management for asset management fees for the period Second Quarter 2019 in the amount of \$17,298.00
6. Invoice Champlain Investment Partners for asset management fees for the period 2nd Quarter 2019 in the amount of \$16,215.33

L. Susan Mannisto asked Investment Consultant how many investment manager invoices were still outstanding for second quarter 2019. Investment Consultant responded about half. She then questioned how line item funds that billed and were paid directly from their funds were checked for accuracy. Investment Consultant responded that the auditor reviews those charges annually.

MOTION #S-19-073

Motion by Gardella, supported by Jubas, to approve Consent Agenda as presented. Motion Carried Unanimously

PUBLIC COMMENT

No comments were made.

INVESTMENT CONSULTANT REPORT

1. Market Update
2. Asset/Manager Summary
3. Matters deemed pertinent

Investment Consultant distributed the June Capital Market Summary and updated market values; he reviewed the strong results from the equity and fixed income market during the month, due in part to the expectation of a rate cut from the Federal Reserve at the end of July. He reviewed the current economic conditions and the Fed's reaction to the financial markets as well as economic indicators. He noted that all allocations were near targets and no action was recommended.

MOTION #S-19-074

Motion by Jubas, supported by Gardella, to receive and file Investment Consultant Report. Motion Carried Unanimously

LEGAL REPORT

1. Matters deemed pertinent

Legal Counsel did not have any formal comments. He stated that, with reference to verification of annual asset management fees, the Summary Annual Report or Service Provider Disclosures were good sources. Retirement Administrator was asked to research whether there was a Service Provider Disclosures Policy.

MOTION #S-19-075

Motion by Jubas, supported by Gardella, to receive and file Legal Report. Motion Carried Unanimously

RETIREMENT ADMINISTRATOR REPORT

1. GRS Proposed Services and Actuarial Fee letter
2. NCPERS membership update
3. Comerica cash sweep fee adjustment
4. Early release of bank statements
5. Matters deemed pertinent

The actuarial fee letter from GRS was presented with a comparison to 2018 fees. L. Susan Mannisto stated that she thinks the fee increase should be challenged and GRS should be asked what the Retirement System or GRS could do to create greater efficiencies to lower costs. There was discussion as to whether an RFP should be issued for actuarial services. Legal Counsel and Investment Consultant will work together to compile a comparison of fees paid by similar size clients and report back to the Board.

Retirement Administrator informed the Board that, with the concurrence of the Chair, she has not yet submitted the NCPERS membership request because the organization does not pro-rate annual dues. She was advised that if membership was applied for after 2020 renewals were sent out in October that membership could be immediately processed at the annual rate with no additional cost for the remainder of 2019.

Retirement Administrator provided background regarding the Comerica Cash Sweep Fee Adjustment – Comerica STIF letter. Letter was originally dated December 28, 2017 and sent to prior Retirement Administrator but was never signed and returned. 25 basis points fee was to be effective February 1, 2018 but did not occur. The Board wants a new letter with a current effective date (i.e. not retroactive to February 1, 2018) and directed Investment Consultant to follow up with Comerica for greater clarity.

The Board discussed the early release of fiscal year-end bank statements as requested by (Southfield) Fiscal Services. Comerica has indicated that early release of statements, as directed by prior Retirement Administrator last year, only applied to monthly statements and that they will need a new directive applicable to early release of year-end statements. They stressed that once statements are released, no adjustments can be made. Retirement Administrator contacted Actuary and they indicated that they do not need financial reports until mid-August. Investment Consultant indicated that while early release was implemented to improve efficiencies in monthly reporting,

early release of year-end statements would create an issue. Comerica has indicated that, as of Monday, nine fund manager statements were still outstanding.

MOTION #S-19-076

Motion by Jubas, supported by Mannisto, to direct Investment Consultant to contact the managers who have outstanding statements regarding expected timing so that he can gauge when Custodian can be instructed to release fiscal year-end statements and direct Retirement Administrator to authorize Custodian to release the statements based on the recommendation of Investment Consultant to obtain the most accurate values as possible while still honoring Fiscal Services request. Motion Carried Unanimously

Retirement Administrator reported to Board that she contacted the RHC Administrator and the RHC Board President regarding the RHC System paying for the 2019 MAPERS Spring Conference expenses for one SERS Board Trustee who also serves on the RHC Board. RHC Administrator indicated that it wouldn't occur and RHC President stated that each System should pay for the expenses of their respective members. Julius Maisano also stated that he conferred with RHC President and that it didn't make sense for an underfunded RHC System to absorb additional expenses. The Board discussed this logic and the history of how this past practice developed.

L. Susan Mannisto raised the question of whether the Board would authorize attendance and cover expenses for the one-day annual meeting of the regional institutional investor community of which City Treasurer informed them.

MOTION #S-19-077

Motion by Gardella, supported by Jubas, to approve attendance of all SERS Trustees and staff at the Markets Group Michigan Institutional Forum in East Lansing, MI on October 10, 2019. Motion Carried Unanimously

MOTION #S-19-078

Motion by Gardella, supported by Lightsey, to receive and file Retirement Administrator Report. Motion Carried Unanimously

UNFINISHED BUSINESS/PENDING MATTERS

1. Reconciliation of City Services to SERS: Lead/Zorn, Timeframe/ASAP
Julius Maisano indicated that this item is still unresolved pending discussion between City Administrator and Fiscal Services Director.
2. Trustee Handbook: Lead/Hersh, Timeframe/TBD
Dave Hersh indicated that he has obtained copies of the latest collective bargaining contracts and now has complete materials. The next step is to get Legal Counsel input on how the information should be organized. As there is still no common City site available, there was discussion regarding how information should be distributed.
3. Retirement Handbook: Lead/Maisano, Timeframe/TBD
No current update; item is still being discussed with Human Resources Department.
4. Pension Calculator: Lead/Maisano, Timeframe/Q3 2019
No updates. Q3 2019 is still being targeted.

5. Pension Eligibility and Calculation Demonstration: Lead/Battersby, Timeframe/Q3 2019
This is still on target for Q3 2019.
6. Trust Statement Reconciliation Responsibility and Procedure: Lead/TBD, Timeframe/TBD
An update will be provided next month.
7. Periodic review of Plan Consultants and Advisors: Lead/TBD, Timeframe/TBD
There was discussion about obtaining the most recent contracts for service providers.

NEW BUSINESS

1. None

TRUSTEE COMMENT/OPEN FORUM

No comments were made.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:30 p.m.

MOTION #S-19-079

Motion by Miller, supported by Gardella, to adjourn the meeting. Motion Carried Unanimously

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on August 13, 2019

U.S. NEWS

Public Pension Funds Miss Their Mark

By HEATHER GILLERS

Public pension plans lagged behind their projected returns this year, adding to the burden on governments struggling to fund promised benefits to retired workers.

Public plans with more than \$1 billion in assets earned a median return of 6.79% for the year ended June 30, the lowest since 2016, according to Wilshire Trust Universe Comparison Service data released Tuesday. Public pension plans project a median long-term return of 7.25%, according to data collected by Wilshire Associates in 2018.

Each year, pension funds must make this estimate on how much they expect to earn

on investments. The projection determines the amount the government that is affiliated with the pension fund must pay into it.

Robust returns reduce the need for government support. When returns fall short, however, the amount the government must contribute increases, potentially diverting money from other public services.

"I think a lot of plans fell a little bit short," said Becky Stelman, principal and consulting actuary at Milliman. "Bonds generally did well, but there are other asset classes that didn't do as well."

Overall, a decade-long bull market in stocks has been good for pensions. Large public plans had five years of dou-

ble-digit returns and a 10-year annualized return of 9.7% for the year ended June 30, according to Wilshire.

But those returns still haven't brought pension funding levels close to what is needed to pay for future benefits. State and local pension plans have about \$4.4 trillion in assets, according to the Federal Reserve, \$4.2 trillion less than they need to pay for promised future benefits. Contributing factors include longer lifespans, overoptimistic re-

turn assumptions and government decisions to skimp on pension payments. Record losses in 2009 when pension funds fell by a median 19.1%, according to Wilshire, also played a role.

In hopes of reducing their unfunded liabilities, pensions have pushed further into riskier, less-traditional investments over the past decade. Large public pension plans had a median 11.47% of their assets in alternative investments such as private equity for the year ended June 30 and a median 4.15% of their investments in real estate.

Even so, some of the best-performing investments in the 12-month period were plain domestic stocks and bonds.

The roughly \$2-billion Tampa Fire and Police Fund, which steers clear of alternatives, returned 8.7% for the year ended June 30, said Jay Bowen, president and CEO of Bowen, Harnes & Co.

"For a public defined benefit plan, we just feel like if you can focus on high-quality stocks and bonds and take a long-term approach, you'll be better off, especially after fees," said Mr. Bowen, whose firm has been the pension fund's sole manager for 45 years.

Wilshire calculated that a portfolio of 60% domestic stocks and 40% domestic bonds would have returned 9.15% for the year ended June 30.

Global equities worked against you, alternatives or private equity probably worked against you, cash worked against you, and anything where you didn't stay the course worked against

you," said Robert J. Waid, managing director at Wilshire Associates. For example, he said, a pension fund that sold equities or switched to lower-risk equities at the end of last year as stock prices fell missed first-quarter gains.

The nation's two largest pension funds, which serve California public workers and California teachers, earned 6.7% and 6.8%, respectively. Both funds project long-term returns of 7%.

"It was a roller-coaster year and a very challenging environment in which to generate returns," said Christopher Allman, investment chief for the teachers' fund, known as CalSTRS.

| | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 |
|---------------------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------------|-------------------|--------|--------|--------|--------|
| Prior month ending balance | | | | | | | | | | | | |
| Beginning Balance | 3,555,267.16 | 3,563,530.12 | 3,553,752.18 | 3,605,905.01 | 3,566,977.94 | 3,620,424.94 | 3,753,864.43 | 3,646,185.99 | | | | |
| Variance (must be zero) | 3,555,267.16 | 3,563,530.12 | 3,553,752.18 | 3,605,905.01 | 3,566,977.94 | 3,620,424.94 | 3,753,864.43 | 3,646,185.99 | | | | |
| Earnings | \$ 78,536.47 | \$ 20,628.84 | \$ 17,259.01 | \$ 18,154.41 | \$ 18,473.23 | \$ 18,782.63 | \$ 18,220.04 | \$ 18,769.79 | | | | |
| Contributions & Other Increases | | | | | | | | | | | | |
| Employer | \$ 289,124.74 | \$ 321,779.24 | \$ 287,376.28 | \$ 272,620.61 | \$ 276,780.09 | \$ 408,898.40 | \$ 290,383.99 | \$ 276,951.96 | | | | |
| Employee | 61,678.08 | 68,672.12 | 61,381.10 | 58,227.65 | 59,125.15 | 87,329.91 | 61,981.96 | 60,686.42 | | | | |
| Transfers see below | 558,296.39 | 650,339.49 | 780,455.03 | 630,541.82 | 735,056.38 | 599,296.02 | 540,059.02 | 698,051.34 | | | | |
| Assets Received | - | 26.69 | 574.72 | 335.90 | - | - | - | - | | | | |
| Total Contrib & Other Increases | \$ 909,099.21 | \$ 1,040,817.54 | \$ 1,129,787.13 | \$ 961,725.98 | \$ 1,070,961.62 | \$ 1,095,524.33 | \$ 892,424.97 | \$ 1,035,689.72 | | | | |
| Distribution & Other Decreases | | | | | | | | | | | | |
| Bene Payments & distribution | \$ (971,766.70) | \$ (1,043,280.40) | \$ (1,141,546.89) | \$ (1,020,107.86) | \$ (1,005,739.52) | \$ (989,399.98) | \$ (998,310.39) | \$ (1,023,698.22) | | | | |
| re deposits | \$ 2,061.98 | - | 49,389.65 | 13,385.60 | - | 3,503.68 | 2,802.18 | 4,534.03 | | | | |
| Misc. Receipts | | | | | | 8,441.35 | | 1,305.50 | | | | |
| Fees (see below) | (9,218.00) | (27,926.84) | (2,500.00) | (12,085.20) | (30,065.74) | (2,510.00) | (22,815.24) | (12,076.00) | | | | |
| Misc. Cardmember svcs. | (450.00) | (17.08) | (236.07) | - | (182.59) | (902.52) | - | (447.07) | | | | |
| Total Distributions & Decreases | \$ (979,372.72) | \$ (1,071,224.32) | \$ (1,094,893.31) | \$ (1,018,807.46) | \$ (1,035,987.85) | \$ (980,867.47) | \$ (1,018,323.45) | \$ (1,030,381.76) | | | | |
| Ending Balance | 3,563,530.12 | 3,553,752.18 | 3,605,905.01 | 3,566,977.94 | 3,620,424.94 | 3,753,864.43 | 3,646,185.99 | 3,670,263.74 | | | | |
| Ending Comerica Balance | 3,563,530.12 | 3,553,752.18 | 3,605,905.01 | 3,566,977.94 | 3,620,424.94 | 3,753,864.43 | 3,646,185.99 | 3,670,263.74 | | | | |
| Variance (must be zero) | - | - | - | - | - | - | - | - | | | | |
| 1) Transfers | | | | | | | | | | | | |
| Misc | 296.39 | 339.49 | 455.03 | 541.82 | 56.38 | 2,583.16 | 59.02 | 71.53 | | | | |
| Transfer | | | | | | | | (52,020.19) | | | | |
| Cover monthly payments | 558,000.00 | 650,000.00 | 780,000.00 | 630,000.00 | 735,000.00 | 596,712.86 | 540,000.00 | 750,000.00 | | | | |
| | 558,296.39 | 650,339.49 | 780,455.03 | 630,541.82 | 735,056.38 | 599,296.02 | 540,059.02 | 698,051.34 | | | | |
| 2) Fees & expenses | | | | | | | | | | | | |
| ANDCO | - | (13,750.00) | | | (16,250.00) | - | (17,500.00) | | | | | |
| Gabriel Roeder | - | (550.00) | | (6,030.00) | (825.00) | | | | | | | |
| VanOverbeck | (5,418.00) | (5,852.00) | | | (5,130.00) | | | (9,576.00) | | | | |
| Administrator | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) | | | | |
| Comerica Fee | - | (2,336.15) | | (3,555.20) | (5,360.74) | | | | | | | |
| Comerica Fee | - | (2,718.69) | | | | | | | | | | |
| Class action fee | - | (10.00) | | | | (10.00) | | | | | | |
| Office equipment - printer | - | (210.00) | | | | | | | | | | |
| WCM Investment Mgt | | | | | | | | (693.43) | | | | |
| Other Expenses | (200.00) | | | | | | | (2,121.81) | | | | |
| Actuary | (1,300.00) | | | | | | | | | | | |
| Petty Cash | (250.00) | | | | | | | | | | | |
| Subtotal Fees | (9,668.00) | (27,926.84) | (2,500.00) | (12,085.20) | (30,065.74) | (2,510.00) | (22,815.24) | (12,076.00) | | | | |

III.B.1.

SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM

APPLICATIONS FOR RETIREMENT

| NAME | DEPARTMENT | GROUP | RETIREMENT DATE | RETIREMENT QUALIFICATION |
|------------------|------------|-------|-----------------|--------------------------|
| Deckard, Stephen | Building | TPOAM | 10/7/2019 | 82 points |

AUTHORIZATION OF BENEFITS

| NAME | DEPARTMENT | GROUP/ (RETEE) | RETIREMENT DATE | RETIREMENT QUALIFICATION | MONTHLY PENSION | FORM OF BENEFIT | CONTRIB REFUND/ LUMP SUM |
|------|------------|----------------|-----------------|--------------------------|-----------------|-----------------|--------------------------|
|------|------------|----------------|-----------------|--------------------------|-----------------|-----------------|--------------------------|

REFUND OF CONTRIBUTIONS

| NAME | DEPARTMENT | GROUP | TERMINATION DATE | QUALIFICATION | CONTRIBUTION REFUND |
|------|------------|-------|------------------|---------------|---------------------|
|------|------------|-------|------------------|---------------|---------------------|

RETIREMENT QUALIFICATION

| | | |
|--------------------|-----------|-----------|
| Normal - 82 points | 82 points | Unreduced |
| Normal - 65 & 5 | 65 & 5 | Unreduced |
| Early - 60 & 10 | 60 & 10 | Reduced |
| Early - 57 & 20 | 57 & 10 | Reduced |

FORM OF BENEFIT

| | | |
|-----------------------------------|--------------|---|
| Normal Form of Benefit (Single): | 10 Yr C&L | Benefit payable for lifetime of retiree with 10 years of payments guaranteed (certain & life) |
| Normal Form of Benefit (Married): | 50% J&S | Benefit payable for lifetime of retiree with 50% continuing to surviving spouse (joint & survivor) |
| Optional Form of Benefit: | 100% J&S | Benefit payable for lifetime of retiree with 100% continuing to beneficiary (actuarial reduction applied) |
| Life Annuity (surviving spouse): | Life Annuity | Benefit payable for lifetime of surviving spouse |

OTHER

| | | |
|------------------------|-----|--|
| Alternate Payee | AP | Person to whom benefits are assigned in an EDRO |
| Date of Death | DOD | Date of Death |
| Deferred Vested | DV | Terminated prior to retirement but eligible for future pension benefits |
| Surviving Spouse | SS | Surviving spouse beneficiary of 100% or 50% joint & survivor form of benefit |
| Terminated, Non-vested | TNV | Terminated prior to becoming eligible for pension benefits |

III.C.1.

INVOICE

Megan Battersby
25375 Castlereigh Drive
Farmington Hills, MI 48336

DATE OF INVOICE:

August 1, 2019

BILL TO:

Southfield Employee Retirement System
26000 Evergreen Road
Southfield, MI 48076

SERVICES:

Retirement Administration for the Period: July 2019

AMOUNT DUE:

\$2,500.00

III.F.I.



August 2019 Statement

Open Date: 07/06/2019 Closing Date: 08/06/2019

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Mastercard® Business Card
SFLD EMP RETIREMENT (CPN 000966173)

Account:

Cardmember Service
BUS 30 ELN

1-866-486-1017
3

| | |
|----------------------------|-------------------|
| New Balance | \$1,622.23 |
| Minimum Payment Due | \$17.00 |
| Payment Due Date | 09/01/2019 |

Reward Points

Earned This Statement 1,734
Reward Center Balance 3,864
as of 08/05/2019

For details, see your rewards summary.

Activity Summary

| | | |
|----------------------------|----------|-------------------|
| Previous Balance | + | \$447.07 |
| Payments | - | \$447.07CR |
| Other Credits | - | \$9.00CR |
| Purchases | + | \$1,631.23 |
| Balance Transfers | | \$0.00 |
| Advances | | \$0.00 |
| Other Debits | | \$0.00 |
| Fees Charged | | \$0.00 |
| Interest Charged | | \$0.00 |
| New Balance | = | \$1,622.23 |
| Past Due | | \$0.00 |
| Minimum Payment Due | | \$17.00 |
| Credit Line | | \$10,000.00 |
| Available Credit | | \$8,377.77 |
| Days in Billing Period | | 32 |

Payment Options:



Mail payment coupon
with a check



Pay online at
myaccountaccess.com



Pay by phone
1-866-486-1017

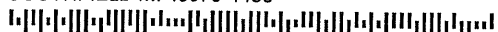
Make a payment online OR Please print out and send this portion of statement with payment to the address listed CPN 000966173



24-Hour Cardmember Service: 1-866-486-1017

to pay by phone
to change your address

000009215 01 SP 000638159460417 E
SFLD EMP RETIREMENT
ACCOUNTS PAYABLE
26000 EVERGREEN RD
HUMAN RESOURCE
SOUTHFIELD MI 48076-4453

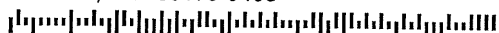


| | |
|----------------------------|------------|
| Account Number | |
| Payment Due Date | 9/01/2019 |
| New Balance | \$1,622.23 |
| Minimum Payment Due | \$17.00 |

Amount Enclosed \$ _____

Cardmember Service

P.O. Box 790408
St. Louis, MO 63179-0408



III, F. 2.



August 2019 Statement 07/06/2019 - 08/06/2019

SFLD EMP RETIREMENT (CPN 000966173)

Page 2 of 3

Cardmember Service

1-866-486-1017

Mastercard Business Rewards

Rewards Center Activity as of 08/05/2019

| | |
|--------------------------|-------|
| Rewards Center Activity* | 0 |
| Rewards Center Balance | 3,864 |

*This item includes points redeemed, expired and adjusted.

| Rewards Earned | This Statement | Year to Date |
|--|----------------|--------------|
| Points Earned on Net Purchases | 1,510 | 7,378 |
| Gas, Restaurants & Telecom Double Points | 224 | 2,257 |
| Total Earned | 1,734 | 9,635 |

For rewards program inquiries and redemptions, call 1-888-229-8864 from 8:00 am to 10:00 pm (CST) Monday through Friday, 8:00 am to 5:30 pm (CST) Saturday and Sunday. Automated account information is available 24 hours a day, 7 days a week.

Important Messages

Paying Interest: You have a 24 to 30 day interest-free period for Purchases provided you have paid your previous balance in full by the Payment Due Date shown on your monthly Account statement. In order to avoid additional INTEREST CHARGES on Purchases, you must pay your new balance in full by the Payment Due Date shown on the front of your monthly Account statement.

There is no interest-free period for transactions that post to the Account as Advances or Balance Transfers except as provided in any Offer Materials. Those transactions are subject to interest from the date they post to the Account until the date they are paid in full.

Beginning November 1, 2019, there will be a Travel Advisor Consultation fee of \$39 charged per award ticket for reservations made over the phone. The fee will appear as a purchase listed as "CL Trip Charges" on the following month's billing statement. There will continue to be no additional booking fees for award tickets booked online.

Transactions BATTERSBY MEGAN Credit Limit \$10000

| Post Date | Trans Date | Ref # | Transaction Description | Amount | Notation |
|-----------------------------------|------------|-------|---|-------------------|----------|
| Other Credits | | | | | |
| 07/09 | 07/08 | 6271 | KROGER #661 FARMINGTON MI MERCHANDISE/SERVICE RETURN | \$9.00CR | |
| Purchases and Other Debits | | | | | |
| 07/09 | 07/08 | 6198 | KROGER #661 FARMINGTON MI | \$19.40 | |
| 07/10 | 07/09 | 0355 | MAPERS SALINE MI | \$300.00 | |
| 07/11 | 07/10 | 0360 | MAPERS SALINE MI | \$600.00 | |
| 07/17 | 07/16 | 7857 | JIMMY JOHNS - 754 - EC SOUTHFIELD MI | \$111.83 | |
| 07/18 | 07/17 | 0538 | MAPERS SALINE MI | \$600.00 | |
| Total for Account | | | | \$1,622.23 | |

10.40 mtg. supplies
Gardella
Lightsey, Maisano
mtg. food 7/14/19
Tubas, Sanders

Continued on Next Page



August 2019 Statement 07/06/2019 - 08/06/2019
SFLD EMP RETIREMENT (CPN 000966173)

Cardmember Service

Page 3 of 3

1-866-486-1017

Transactions BILLING ACCOUNT ACTIVITY

| Post Date | Trans Date | Ref # | Transaction Description | Amount | Notation |
|-----------------------------------|------------|-------|-------------------------|-------------------|----------|
| Payments and Other Credits | | | | | |
| 07/16 | 07/13 | 0006 | PAYMENT THANK YOU | \$447.07CR | |
| Total for Account | | | | \$447.07CR | |

| 2019 Totals Year-to-Date | |
|--------------------------------|-----------|
| Total Fees Charged in 2019 | \$38.00CR |
| Total Interest Charged in 2019 | \$0.02CR |

Interest Charge Calculation

Your Annual Percentage Rate (APR) is the annual interest rate on your account.


**APR for current and future transactions.

| Balance Type | Balance By Type | Balance Subject to Interest Rate | Variable | Interest Charge | Annual Percentage Rate | Expires with Statement |
|--------------------|-----------------|----------------------------------|----------|-----------------|------------------------|------------------------|
| **BALANCE TRANSFER | \$0.00 | \$0.00 | YES | \$0.00 | 12.24% | |
| **PURCHASES | \$1,622.23 | \$0.00 | YES | \$0.00 | 12.24% | |
| **ADVANCES | \$0.00 | \$0.00 | YES | \$0.00 | 26.24% | |

Contact Us

 Phone

Voice: 1-866-486-1017
TDD: 1-888-352-6455
Fax: 1-866-616-1750

 Questions

Cardmember Service
P.O. Box 6353
Fargo, ND 58125-6353



Mail payment coupon
with a check

Cardmember Service
P.O. Box 790408
St. Louis, MO 63179-0408



Online

myaccountaccess.com

End of Statement

July 15, 2019

Invoice Number: GTSOUTHF20190630

City of Southfield
LSV International Value Equity Trust

Billing Period: April 01 to June 30, 2019

Billing Assets: 9,455,858 USD as of 04/30/2019
 8,802,198 USD as of 05/31/2019
 9,339,793 USD as of 06/30/2019

Average Assets: 9,199,283 USD

| Fee Schedule/Calculation | Assets (USD) | Fee (USD) |
|-------------------------------------|-----------------|--------------|
| First 25 million USD @ 75 bp | 9,199,283 | 17,201 |
| Next 25 million USD @ 65 bp | 0 | 0 |
| Next 50 million USD @ 55 bp | 0 | 0 |
| Amount Over 100 million USD @ 45 bp | 0 | 0 |
| Total: | 9,199,283 | 17,201 |

Days in Billing Period/Year: 91/365

Average Basis Points: 75.0

| | |
|--------------------------------------|-------------------|
| Investment Management Fee Due | 17,201 USD |
|--------------------------------------|-------------------|

***** PLEASE NOTE PAYMENT INSTRUCTIONS BELOW*****

By Wire:

Bank Name: CIBC Bank USA
 Bank Address: 70 W Madison
 Chicago, IL 60602 USA

ABA/Routing Number: 071006486

or

SWIFT: PVTBUS44

Beneficiary Name: LSV Asset Management

Beneficiary Account: 2313182

By Check:

LSV Asset Management
 8545 Solution Center
 Chicago, IL 60677-8005

Invoice Contact - Sara Paeth : (312) 327-4330 or spaeth@lsvasset.com

Pacific Income Advisers
1299 Ocean Ave.
2nd floor
Santa Monica, CA 90401
(310) 255-4400

INVOICE



| | |
|--------------|------------|
| Invoice # | 19-0039 |
| Invoice Date | 07/19/19 |
| Amount Due | \$7,645.00 |

Ms. Megan Battersby
City of Southfield
26000 Evergreen Road
P.O. Box 2055
Southfield, MI 48037-2055
United States

| Due Date | Account Number |
|----------|-----------------------------------|
| 08/19/19 | City of Southfield, 1055006392 |

Investment Management Services

Fees Due

For the Period: April 1, 2019 through June 30, 2019

MV 04/30/19: \$ 9,809,935

MV 05/31/19: \$ 9,988,783

MV 06/30/19: \$ 10,781,298

Average MV Quarter Ending 06/30/19: \$ 10,193,339

\$ 10,193,339 x 0.30% x .25

\$7,645.00

Please direct inquiries to:
Accounts Receivable Department
Phone: 310-255-4430
PIA-100087

| | |
|------------|------------|
| Total: | \$7,645.00 |
| Payments: | \$0.00 |
| Amount Due | \$7,645.00 |

To pay by ACH/Wire:
Pacific Western Bank
ABA #122238200
Acct. #0020403044
Name on Account: Pacific Income Advisers, Inc.

CC:
chrisk@bogdahngroup.com
mishab@bogdahngroup.com
reporting@bogdahngroup.com

The fee is an annual fee and payable quarterly in arrears based on the average market value at the end of the three months in the calendar quarter.

If you would like to receive a free copy of PIA's Form ADVII, please call (888) 742-7869, visit our website, www.pacificincome.com, or write us at PIA-ADV Request at the address above.

III. F. 4.



Account Name: City of Southfield Employee Retirement System
 Number: 121080

Management Fee Invoice **\$18,656.38**

Billing Period: from 04/01/2019 to 06/30/2019

Assets Under Management \$9,950,071
 Values comprising the average period total: 4/30/2019 \$10,244,608
 5/31/2019 \$10,110,273
 6/30/2019 \$9,495,331

MANAGEMENT FEE **\$18,656.38**

FEE CALCULATION

| Rate Applied | For Assets Under Management | Amount Based on Rate Applied | % of Rate Period | Amount Due (incl. adjustm.) |
|--------------|----------------------------------|------------------------------|------------------|-----------------------------|
| 0.75% | On the remainder: \$9,950,070.79 | \$74,625.53 | | \$18,656.38 |
| <hr/> | | | | |
| Total: | \$9,950,070.79 | \$74,625.53 | 25.00% | \$18,656.38 |

Total Fees Outstanding

| Invoice ID | For the date Range | | Total Fee | Total Paid | Remaining Balance |
|--------------------|--------------------|------------|-------------|------------|--------------------|
| 41535 | 4/1/2019 | 6/30/2019 | \$18,656.38 | \$0.00 | \$18,656.38 |
| 40462 | 10/1/2018 | 12/31/2018 | \$16,523.24 | \$0.00 | \$16,523.24 |
| <hr/> | | | | | |
| Remaining Balance: | | | | | \$35,179.62 |

Invoice# 41535

Invoice Date 07/19/2019

City of Southfield Employee Retirement System
 WCM Account Number: 121080
 Custodian Account Number: 1055062491

Amount Due: **\$18,656.38**

This invoice is now due and payable: Via Check: WCM Investment Management
 281 Brooks Street
 Laguna Beach, CA 92651

Via Wire/EFT: Acct Name: WCM Investment Management
 Bank Name: First Republic Bank
 ABA: 321081669
 Acct Num: 80006296224

Megan Battersby
 City of Southfield Retirement Systems
 26000 Evergreen Road
 Southfield, MI 48037

III, F. 5.

August 7, 2019

MEGAN BATTERSBY
CITY OF SOUTHFIELD EMPLOYEES RETIREMENT SYSTEM
26000 EVERGREEN ROAD
SOUTHFIELD, MI 48076

**Re: Cash Sweep Fee Adjustment – Comerica STIF
CITY OF SOUTHFIELD EMPLOYEES RETIREMENT SYSTEM**

DEAR MS. BATTERSBY:

Comerica provides our trust clients with a well-managed, competitive rate short-term investment fund option: the Comerica Short -Term Fund or STIF. During the difficult rate environment of the past several years, we have been sensitive to our clients' needs by maintaining a low cash sweep fee in STIF. Due to increasing costs, and to align more closely with industry standards, we will increase the cash sweep fee for STIF to 25 basis points (0.25%) effective September 1, 2019.

Fee modifications like this one require acknowledgement from both parties. Please sign below representing consent to the sweep fee increasing to 25 bps (0.25%). The increase will take effect upon return receipt of the signatures.

Comerica values your relationship and will continue to strive to provide superior client service. Should you have any questions about this change, please contact me directly.

Comerica Bank


PELECIA RYANS

Enclosure

CITY OF SOUTHFIELD EMPLOYEES
RETIREMENT SYSTEM

Name, Title, Date

Name, Title, Date

**CITY OF SOUTHFIELD
EMPLOYEE RETIREMENT SYSTEM**

POLICY RESOLUTION

Adopted: January 21, 2014

Re: Service Provider Disclosures

WHEREAS, the Board of Trustees (the "Board") of the City of Southfield Employee Retirement System (the "Retirement System") is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, and

WHEREAS, the Board recognizes that it is subject to the provisions of the Public Employee Retirement System Investment Act, (Michigan Public Act 314 of 1965, as amended), wherein the Board is required to act as a prudent investor in all transactions related to Retirement System funds and assets by discharging its duties solely in the interests of the participants and beneficiaries and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered, and

WHEREAS, in light of its fiduciary responsibility, the Board recognizes that it is in the best interests of the Retirement System and its participants and beneficiaries to retain the services of qualified professional service providers, including, but not limited to: investment consultants, investment managers, investment banks/brokers, custodians, actuaries, auditors, attorneys, administrators, and physicians to assist in and oversee the investments and administration of the Retirement System, and

WHEREAS, the term "investment service provider" is defined under Act 314 as "any individual, third-party agent or consultant, or other entity that received direct or indirect compensation for consulting, investment management, brokerage, or custody services related to the system's assets", and

WHEREAS, several of the Retirement System's professional service providers qualify as "investment service providers" as that term is defined under Act 314, and

WHEREAS, the Board is aware of the various disclosure requirements and "pay-to-play" restrictions imposed on its current and prospective investment service providers under the provisions of Act 314 and applicable federal law, and

WHEREAS, the Board is required to withhold payment from any service provider who violates the "pay-to-play" provisions of Act 314 and applicable federal law, and

WHEREAS, the term "service provider" is defined in Act 314 as "a person retained to provide services to a system and includes investment advisers, consultants, custodians, accountants, auditors, attorneys, actuaries, administrators, and physicians. Service provider includes an investment service provider as defined in Section 13(7). Service provider does not include a regulated investment adviser", and

WHEREAS, the Board is desirous of establishing a formal disclosure policy applicable to appropriate service providers in order to monitor said service providers' compliance with Act 314 and other applicable laws, therefore be it

RESOLVED, that every year in the month of **May**, the Board shall require each of its current "investment service providers" to disclose in writing all fees or other compensation associated with its relationship with the Retirement System for the previous fiscal year, as required under Section 13(7) of Act 314 [MCL 38.1133(7)], by submission of the attached Fee Disclosure Form and the investment service provider's most recent disclosures, if any, required under Section 408(b)(2) of ERISA or similar regulations, and further

RESOLVED, that prior to the transfer of any Retirement System assets to a prospective "investment service provider", the prospective "investment service provider" shall be required to disclose all fees or other compensation to be associated with its relationship to the Retirement System through completion and submission of the Fee Disclosure Form to the Board, and further

RESOLVED, that every year in the month of **May**, the Board shall require all of its professional service providers to acknowledge that they are in compliance with Section 13e of Act 314 [MCL 38.1133e] and/or Rule 206(4)-5 under the Investment Advisers Act of 1940, and further

RESOLVED, that any service provider's failure or refusal to complete and submit either of the Retirement System's disclosure forms shall be deemed a violation of the requirements of Act 314 and this Policy, and shall result in appropriate action by the Board, including the possible suspension of payment for services rendered and/or termination of the service provider's relationship with the Retirement System, and further

RESOLVED, that all professional services providers shall have an ongoing requirement to monitor all political contributions and immediately disclose to the Board any and all political contributions that violate the restrictions of Section 13e of Act 314 and/or Rule 206(4)-5 under the Investment Advisers Act of 1940, including the date of the contribution, the name of the contributor, the name of the recipient, and the amount of the contribution, and further

RESOLVED, that copies of this Policy shall be provided to all Retirement System service providers who shall be required act in accordance with said Policy.

**CITY OF SOUTHFIELD
EMPLOYEE RETIREMENT SYSTEM
26000 Evergreen Road
P.O. Box 2055
Southfield, MI 48076-2055**

FEE DISCLOSURE FORM

Completion required pursuant to MCL 38.1133(7)

**This form must be submitted to the Board
no later than [DATE] of each year.**

I. Investment Service Provider Information

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the Retirement System's Service Provider Disclosure Policy.

Signature

Date

Printed Name

Title

II. Reporting Period

Year: _____

III. Fee Disclosure (All fees/compensation associated with your relationship to the Retirement System)

A. Total Compensation

Amount: _____

B. Direct Compensation (Compensation paid directly from the Retirement System)

Amount: _____

Manner of receipt (invoice, direct deduction, etc.): _____

C. Indirect Compensation (Compensation associated with your relationship to the Retirement System received from a source other than the Retirement System)

Amount: _____

Payer: _____

Manner of receipt: _____

D. Compensation Among Related Parties (Compensation associated with your relationship to the Retirement System from any other party such as an investment consultant, investment manager, etc.)

Amount: _____

Payer: _____

Recipient: _____

*Attach additional sheets as necessary, including your most recent disclosures, if any, required under Section 408(b)(2) of ERISA or similar regulations.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

**CITY OF SOUTHFIELD
EMPLOYEE RETIREMENT SYSTEM
2600 Evergreen Road
P.O. Box 2055
Southfield, MI 48076-2055**

**POLITICAL CONTRIBUTION DISCLOSURE
AND ETHICS POLICY COMPLIANCE FORM**

Completion required pursuant to MCL 38.1133e

This form must be submitted to the Board no later than [DATE] of each year.

I. Service Provider Information

Company Name: _____
Address: _____
City: _____ State: _____ Zip: _____

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the Retirement System's Service Provider Disclosure Policy.

II. Reporting Period

Year: _____

III. Contribution Disclosure and Compliance Certification [CHECK THE APPLICABLE BOX BELOW]

[] The aforementioned Service Provider **IS NOT** a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1965, as amended (MCL 38.1133e) for the reporting period noted above as of the date indicated below. Service Provider also certifies that it is in receipt of the Board's Ethics Policy and is compliant with the policy's limitations on gifts and gratuities.

[] The aforementioned Service Provider **IS** a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors Act of 1940, as amended, as of the date indicated below. Service Provider also certifies that it is in receipt of the Board's Ethics Policy and is compliant with the policy's limitations on gifts and gratuities.

Signature

Date

Printed Name

Title

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

**CITY OF SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
POLICY RESOLUTION**

Adopted: October 18, 2011

Re: Advisor and Consultant Reviews

WHEREAS, the Board of Trustees of the City of Southfield Employee Retirement System (the "Board") is vested with the authority and fiduciary responsibility for the administration, management and operation of the City of Southfield Employee Retirement System ("Retirement System"), and

WHEREAS, the Board of Trustees acknowledges that pursuant to the Retirement Ordinance, the City Council has the full power and authority to invest and reinvest the assets of the Retirement System, and

WHEREAS, in carrying out the administration, management and operation of the Retirement System, the Board retains certain professional advisors and consultants, and further recommends the retaining of other professional advisors and consultants to the City Council, and

WHEREAS, the Board deems it prudent to periodically review the costs and services offered by each of its service professionals, and

WHEREAS, the Board further deems it prudent to periodically compare the costs and services offered by each of its service professionals to those of other comparable service professionals not retained by the Board or City Council, and

WHEREAS, the Board recognizes that by reviewing, analyzing, and comparing both existing and prospective service professionals by methods including, but not limited to: (1) comparing formal proposals; (2) assessing the effectiveness of returns; (3) determining level of service; (4) prior performance; and (5) market conditions, the Board may best carry out its service professional review function, and

WHEREAS, the Board desires to formalize its service professional review procedures by developing a regular review schedule so that at least one service professional is reviewed annually, therefore be it

RESOLVED, that the Board shall annually undertake to review the costs and services offered by its service professionals, and further

RESOLVED, that the Board's Investment Consultant shall monitor the performance, services and costs of the Retirement System's investment managers and provide periodic reports to the Board and City Council in accordance with the Board's Investment Policy, and further

RESOLVED, that consistent with the foregoing, the Board shall undertake periodic service professional reviews, and that such reviews shall include, but not be limited to, and be conducted annually in the following order beginning in 2012: (1) actuary; (2) medical director; (3) custodial bank; (4) auditor; (5) legal counsel; and (6) investment consultant, and further

RESOLVED, that in the event that the Board has, for reasons other than the regularly scheduled review, recently reviewed the costs and services of a professional that is scheduled for regular review, the Board may, in its own discretion, forego the review of a particular service professional until the next regularly scheduled review, or alternatively may modify the foregoing order in which the reviews are scheduled, and further

RESOLVED, that in addition to regularly scheduled reviews, the Board, in its own discretion, may at any time undertake to complete and immediate review of any service provider, and further

RESOLVED, that the Retirement Services Administrator shall provide a copy of this Resolution to City Council, and the Board's (1) actuary; (2) medical director; (3) custodial bank; (4) auditor; (5) legal counsel; and (6) investment consultant.