

**CITY OF SOUTHFIELD
REGULAR MEETING
SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM BOARD
Tuesday, April 18, 2017
Council Conference Room – Main Municipal Building
26000 Evergreen Road, Southfield, MI**

MINUTES

SERS Board Members Present: L. Susan Mannisto, Chair; David Hersh; Coretta Houge;
Jeannie Jackson (*Telephonically*); Shirley Lightsey (*Alternate*); Julius Maisano

SERS Board Members Absent: Mark Jubas; James Pierce

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

The meeting was called to order at 5:54 p.m.

AGENDA

1. *Approval of Agenda.*
Ms. Siskind requested an addition to Authorization of Benefits be added to the agenda.

MOTION #S-17-054

Motion by Houge supported by Hersh to approve the agenda of the April 18, 2017 SERS Regular meeting, with the above addition.

Motion carried.

CERTIFICATION OF ELECTION

1. *Certification of Election of Active Employee Member of the Southfield Employee Retirement System Board.*

MOTION #S-17-055

Motion by Houge, supported by Hersh.

WHEREAS, the Southfield Employee Retirement System ordinance specifies the composition and term of office of the Board; and

WHEREAS, the Southfield Employee Retirement System ordinance authorizes the Board to establish Election Procedures for those Board Members who are elected by the membership; and

WHEREAS, the Southfield Employee Retirement System Board adopted Election Procedures to fill the vacant Active Employee Member seat on the Board; and

WHEREAS, Julius Maisano and LaVern Walker both submitted a Candidate Declaration Form to fill the vacant Active Employee Member seat for the period April 1, 2017 to March 31, 2021, which was vacant due to the expiration of Mr. Maisano's former term; and

WHEREAS, according to established Election Procedures, when more than one eligible Active Member submits a Candidate Declaration Form, an election shall be held to determine which member shall be declared the elected member to the Board; and

WHEREAS, all ballots were counted in a public forum on March 31, 2017, by the SERS Administrator and one sitting Board member, resulting in 115 votes for Julius Maisano and 35 votes for LaVern Walker.

THEREFORE, BE IT RESOLVED THAT, Julius Maisano is hereby declared the elected Active Employee Member on the Board of the Southfield Employee Retirement System, to serve for the period April 1, 2017 through March 31, 2021.
Motion carried.

2. *Certification of Election of Retiree Member of the Southfield Employee Retirement System Board.*

MOTION #S-17-056

Motion by Houge, supported by Hersh.

WHEREAS, the Southfield Employee Retirement System ordinance specifies the composition and term of office of the Board, and

WHEREAS, the Southfield Employee Retirement System ordinance authorizes the Board to establish Election Procedures for those Board Members who are elected by the membership, and

WHEREAS, the Southfield Employee Retirement System Board adopted Election Procedures to fill the vacant Retiree Member seat on the Board, and

WHEREAS, only David Hersh, submitted a Candidate Declaration Form to fill the Retiree Member seat for the period April 1, 2017 to March 31, 2019, which was vacant due to expiration of his former term; and

WHEREAS, according to established Election Procedures, when only one eligible Retiree Member submits a Candidate Declaration Form, such member shall be declared the elected member to the Board, and the remaining election procedures will be waived.

THEREFORE, BE IT RESOLVED THAT, David Hersh is hereby declared the elected Retiree Member on the Board of the Southfield Employee Retirement System, to serve for the period April 1, 2017 through March 31, 2019.
Motion carried.

MINUTES

1. *Review and approve Minutes of the Southfield Employee Retirement System Board Regular Meeting of March 21, 2017.*

MOTION #S-17-057

Motion by Hersh, supported by Jackson to approve the Minutes of the Southfield Employee Retirement System Board Regular Meeting of March 21, 2017, with corrections.

Motion carried.

APPROVAL OF RETIREMENT

1. *Review and approve Normal Retirement to James Polk, DPW/Streets & Highways, effective May 6, 2017.*

MOTION #S-17-058

Motion by Houge, supported by Maisano to approve normal Retirement to James Polk, DPW/Streets & Highways, effective May 6, 2017.

CLOSED SESSION

It was necessary to discuss the Application for Duty Disability Retirement of Paul Frost and the Non-Duty Disability Retirement of Stanley Wozniak. A motion was raised to go into closed session.

MOTION #S-17-059

Motion by Hersh, supported by Hough that pursuant to Section 8(h) of the Open Meetings Act the Southfield Employee Retirement System Board Regular Meeting of April 18, 2017, adjourn to a Closed Session for the purpose of considering material exempt from discussion or disclosure by state or federal statute.

A roll call vote was taken.

YEA: Hersh, Houge, Maisano, Mannisto, Jackson, Lightsey.

NAY: None.

ABSTAIN: None.

ABSENT: Jubas, Pierce.

Motion carried.

MOTION #S-17-060

Motion by Houge, supported by Hersh that the Closed Session of the Southfield Employee Retirement System Board Regular Meeting of April 18, 2017, does hereby reconvene to Open Session.

Motion carried.

2. *Review and acknowledge receipt of Application for Duty Disability Retirement of Paul Frost.*

MOTION #S-17-061

Motion by Hersh, supported by Maisano to acknowledge receipt of the Application for Duty Disability Retirement from Paul Frost, dated 4/16/17, and direct the SERS Administrator to arrange for the Medical Director to perform an examination and determination therefrom, including an opinion as to causation, consistent with the board policies.

Motion carried.

3. *Review and approve Non-Duty Disability Retirement of Stanley Wozniak, Jr.*

MOTION #S-17-062

Motion by Hersh, supported by Houge to acknowledge receipt of the report following examination of the applicant and relevant documents, and the determination from the Medical Director, Henry A. Shevitz, M. D., that finds Stanley Wozniak, Jr. to be mentally or physically totally disabled for duty in the employ of the City of Southfield and such incapacity probably will be permanent. Further, that it is Medical Director's opinion that the applicant's disability is not a result of causes directly related to the member's actual performance of duty while an employee of the City. Therefore, the Southfield Employee Retirement System board does hereby grant Stanley Wozniak, Jr. a non-duty disability retirement.

Motion carried.

AUTHORIZATION OF BENEFITS

1. *Review and approve monthly benefit payment and distribution of accumulated contributions to Michelle Gueli.*

MOTION #S-17-063

Motion by Hersh, supported by Houge to approve monthly benefit payment and distribution of accumulated contributions to Michelle Gueli.

Motion carried.

2. *Review and approve Death Benefit payment to the beneficiary of John Stinson.*

MOTION #S-17-064

Motion by Hersh, supported by Houge to approve Death Benefit payment to the beneficiary of John Stinson.

Motion carried.

INVESTMENT CONSULTANT

1. *Portfolio Summary Review*

Mr. Kuhn distributed updated market values (\$110 MM). There was no need for reallocation at this time.

Mr. Kuhn informed the Board of his recent attendance at a City Council meeting to review the Board's recommendation to terminate Munder and hire Champlain and QM^a. Council approved these measures. He also discussed the pending transition, noting that this funding would be a little more complicated due to the splitting of one manager into two portfolios and the possible need to raise cash for the commingled fund. He suggested using Vertas for the transition to which the Board concurred.

Mr. Kuhn presented the Capital Market Overview with a review of the global markets, including economic growth forecast, fixed income and equity markets, as well as alternative investment strategies. He recommended the Board consider adding to their Value Added Real Estate exposure.

MOTION #S-17-065

Motion by Houge, supported by Hersh to receive and file the April 2017 Capital Market Overview, presented by Christopher Kuhn of &Co Consulting.

Motion carried.

LEGAL REPORT

Mr. VanOverbeke updated the board on the status of the government task force's assignment to which he was appointed.

FINANCIAL MATTERS

1. *Review and approve payment to Walthausen & Co for investment management services provided during the period 1/1/17 – 3/31/17, in the amount of \$15,158.55.*

MOTION #S-17-066

Motion by Houge, supported by Hersh to approve payment to Walthausen & Co for investment management services provided during the period 1/1/17 – 3/31/17, in the amount of \$15,158.55.
Motion carried.

2. *Review and approve payment to LSV Asset Management for investment management services provided during the period 1/1/17 – 3/31/17, in the amount of \$17,988.00.*

MOTION #S-17-067

Motion by Houge, supported by Hersh to approve payment to LSV Asset Management for investment management services provided during the period 1/1/17 – 3/31/17, in the amount of \$17,988.00
Motion carried.

3. *Review and approve payment to Med Source Services/Consulting Physicians for evaluation services related to a Disability Retirement application, in the amount of \$650.00.*

MOTION #S-17-068

Motion by Hough, supported by Hersh to approve payment to Med Source Services/Consulting Physicians for evaluation services related to a Disability Retirement application, in the amount of \$650.00.
Motion carried.

4. *Review and approve payment to Comerica Bank Cardmember Service for activity during the period 3/7/17 – 4/5/17.*

MOTION #S-17-069

Motion by Hough, supported by Hersh to approve payment to Comerica Bank Cardmember Service for activity during the period 3/7/17 – 4/5/17.
Motion carried.

PUBLIC COMMENTS

No member of the public wished to make a comment.

To Do List

- *Service Provider Review – Custodial Bank – Check fees by end of June (LS)*
- *Website Pension Calculator – Update mortality tables by next meeting (LS)*
- *Board Policies – Review for any needed/missed/updated*

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

MOTION #S-17-070

Motion by Houge, supported by Maisano to adjourn the Southfield Employee Retirement System Board's April 18, 2017 Regular Meeting at 7:31 p.m.
Motion carried.

*Approved this 16th day of May 2017
L. Susan Mannisto, Chair
Southfield Employee Retirement System Board*