

**REGULAR MEETING MINUTES
SOUTHFIELD FIRE AND POLICE RETIREMENT SYSTEM BOARD**

June 14, 2022

The Board convened in Council Study at 11:30 a.m. The Meeting was started at 11:40 a.m. by President Fisher.

PRESENT: John Fisher; Audrey Harvey; Irv Lowenberg

ABSENT: Duane Garth; Brent Wilson

ALSO

PRESENT: Michael VanOverbeke, Legal Counsel/VMT; Brian Green, Investment Consultant/AndCo; Megan Battersby, Retirement Program Director/SFPRS

R.B. 22-037 MOTION by Harvey, supported by Lowenberg, to approve Regular Meeting Minutes, Southfield Fire and Police Retirement System Board, May 10, 2022. MOTION CARRIED UNANIMOUSLY

R.B. 22-038 MOTION by Harvey, supported by Lowenberg, to acknowledge receipt of Cash & Asset Statement as of April 30, 2022, in the amount of \$198,764,090.74. MOTION CARRIED UNANIMOUSLY

R.B. 22-039 MOTION by Harvey, supported by Lowenberg, to approve payment of invoices as follows: Expense report from I. Lowenberg for May 10, 2022 meeting lunch; Statement from Cardmember Service for credit charges for the period 04/03/22 – 05/02/22 in the amount of \$392.84; Statement from Cardmember Service for credit charges for the period 05/03/22 – 06/02/22 in the amount of \$872.83; Expense report from M. Battersby for MAPERS Spring Conference; Expense report from B. Wilson for MAPERS Spring Conference. MOTION CARRIED UNANIMOUSLY

R.B. 22-040 MOTION by Lowenberg, supported by Harvey, to acknowledge receipt of Informational Items as follows: YTD 2021/2022 Budget; FOIA response dated May 12, 2022; FOIA response dated May 25, 2022; Northern Trust Q2 2022 Invoice. MOTION CARRIED UNANIMOUSLY

R.B. 22-041 MOTION by Fisher, supported by Lowenberg, to acknowledge receipt and approval of Retirement Applications from W. Shadwell (06/02/2022), W. Menzel (06/07/2022), C. Swart (07/02/2022), T. Langewicz (07/30/2022), C. Clark (08/13/2022). MOTION CARRIED UNANIMOUSLY

R.B. 22-042 MOTION by Fisher, supported by Lowenberg, to acknowledge receipt and approval of DROP Distribution Elections from D. Raths, W. Menzel, G. Gorski, L. Doan. MOTION CARRIED UNANIMOUSLY

R.B. 22-043 MOTION by Fisher, supported by Lowenberg, to acknowledge receipt and approval of Annuity Withdrawal Distribution Elections from W. Menzel, C. Swart, T. Langewicz. MOTION CARRIED UNANIMOUSLY

R.B. 22-044 MOTION by Fisher, supported by Lowenberg, to acknowledge adoption of EDRO Resolution Re: Marla L. Williams v. Devlin G. Williams as follows:

**CITY OF SOUTHFIELD
FIRE AND POLICE RETIREMENT SYSTEM**

RESOLUTION

Adopted: June 14, 2022

**RE: Marla L. Williams v. Devlin G. Williams
Oakland County Circuit Court Case No. 19-877387-DM**

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order dated April 11, 2022, wherein Marla L. Williams, the Alternate Payee, is awarded certain rights to the benefits of Devlin G. Williams, the Participant, and

WHEREAS, the Alternate Payee is entitled to claim a portion of the Participant's retirement benefit from the defined benefit plan and the defined contribution (i.e. annuity withdrawal) plan, and

WHEREAS, the payments from the plan to the Alternate Payee shall begin when the Participant commences benefits, and

WHEREAS, the Board's policy is to require that the costs for the actuary's calculations are to be borne by the parties to the domestic relations proceedings, and the order provides that the Participant and the Alternate Payee shall both be responsible for any and all additional costs for actuarial services, and that the Alternate Payee's share of said costs shall be in proportion to her share of the Participant's retirement allowance awarded to her under the EDRO, and

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law including Public Act 46 of 1991 (MCLA 38.1701) as amended, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order, will pay pension benefits consistent with the provisions of the EDRO, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and

RESOLVED, that copies of this resolution be sent to Devlin G. Williams, the Participant; Renee K. Gucciardo, Esq., attorney for the Participant; Marla L. Williams, the Alternate Payee; Blake P. Lipman, Esq., attorney for the Alternate Payee; and the Board's actuary.

MOTION CARRIED UNANIMOUSLY

The conference attendance request from I. Lowenberg was tabled until July pending further information.

Legal Counsel reported that legislation is pending that will allow retirement systems to use hybrid rules to meet Open Meeting Act requirements. He also indicated that the pension rescue plan legislation is still trying to get through but that there are many problems with the legislation.

Retirement Program Director presented for discussion the actual audit finding for Fire & Police Retirement System account provided by the external audit. The finding recommended that, while there are dual-approval requirements in place for transactions over a certain threshold, the City work with the pension system governing board to revisit the process for transactions under this threshold to determine whether additional changes to the approval structure are needed given the staff level available. Considerable discussion ensued clarifying the audit finding intent. The Board determined that the finding does not apply to Benefits Payments transactions. Accordingly, Benefit Payments will not require dual approval. In response to the current finding, the current threshold for dual-approval of Web Cash Movement transactions would be reduced to zero. All transactions for Web Cash Movement will require dual-approval. Legal Counsel will revise the authorized signatory policy to more clearly reflect this and present it to the Board at a future meeting.

Retirement Program Director compiled a summary of potential DROP and Annuity Withdrawal distributions that could occur in 2022 based on pending retirements for investment and cash planning purposes.

The Board had a brief discussion regarding the Ethics Policy and determined that it was adequate and appropriate.

Board President Fisher confirmed that the Retirement System credit card was not for use by individual Board members and that the Retirement Program Director should control the use of the credit card.

Investment Consultant led a lengthy discussion around the merits of private equity and the differences between investing in primary and secondary fund of funds. With two trustees unable to attend the meeting, interviews were postponed to the July meeting to allow for all members to be present to hear the presentations. With PA Capital holding their final close in June, the Board chose to bring back HarbourVest and Constitution Capital for the July meeting. 1607 will also attend the July meeting for their annual presentation.

Investment Consultant reviewed investment and manager allocations. Cash flow needs should be covered through September.

There being no further business to come before the Board, the meeting was adjourned at 1:20 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on July 12, 2022