

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

January 16, 2024

The Board convened in Council Study at 12:00 p.m. The Meeting was started at 12:15 p.m. by President Fisher.

PRESENT: John Fisher; Duane Garth; Audrey Harvey; Irv Lowenberg

ABSENT: Brent Wilson

ALSO

PRESENT: Michael VanOverbeke, Legal Counsel/VMT; Brian Green, Investment Consultant/AndCo; Megan Battersby, Retirement Program Director/SFPRS; Kevin Yousif and Kelly Fetterman/YCM; Mike Vandebossche and Jerry Moffit/Boyd Watterson; Mark Anderson and Ray Caprio/National Investment Services

R.B. 24-001 MOTION by Harvey, supported by Lowenberg, to approve Regular Meeting Minutes, Southfield Fire and Police Retirement System Board, December 5, 2023. MOTION CARRIED UNANIMOUSLY

R.B. 24-002 MOTION by Harvey, supported by Lowenberg, to acknowledge receipt of Portfolio Summary Report as of November 30, 2023, in the amount of \$190,727,182.25. MOTION CARRIED UNANIMOUSLY

R.B. 24-003 MOTION by Lowenberg, supported by Garth, to approve payment of invoice as follows: Expense report from I. Lowenberg for December 5, 2023 meeting lunch; Credit card statement for charges for the period 11/03/23 – 12/02/23 in the amount of \$290.26; Credit card statement for charges for the period 12/03/23 – 01/02/24 in the amount of \$70.85; Invoice from VanOverbeke, Michaud & Timmony, P.C. for legal services rendered for the period 01/01/2023 thru 06/30/2023 in the amount of \$5,706.20; Invoice from VanOverbeke, Michaud & Timmony, P.C. for legal services rendered for the period 07/01/2023 thru 09/30/2023 in the amount of \$2,321.70; Invoice from AndCo Consulting, LLC for consulting services and performance evaluation for the period October 1, 2023 through December 31, 2023 in the amount of \$26,775.00; Invoice from Reinhart Partners for asset management services for the period Quarter 4, 2023 in the amount of \$20,480.00; Invoice from YCM for asset management services for the period 10/1/2023 – 12/31/2023 in the amount of \$9,526.36. MOTION CARRIED UNANIMOUSLY

R.B. 24-004 MOTION by Harvey, supported by Lowenberg, to acknowledge receipt of Informational Items as follows: YTD 2023-2024 Budget. MOTION CARRIED UNANIMOUSLY

R.B. 24-005 MOTION by Fisher, supported by Harvey, to acknowledge receipt and approval of DROP Distribution Elections from T. Langewicz, M. Wojciechowski, D. Crysler, T. Barr, G. Gorski, G. Lask, C. Swart, T. Lewinski. MOTION CARRIED UNANIMOUSLY

R.B. 24-006 MOTION by Fisher, supported by Lowenberg, to acknowledge receipt and approval of Annuity Withdrawal Distribution Election from G. Seidel. MOTION CARRIED UNANIMOUSLY

YCM was in attendance to present an annual update to the Board. They provided a firm overview, discussed industry economics and portfolio market value changes during 2023, and reviewed performance and characteristics of each fund.

Boyd Patterson was in attendance to present on their fixed income capabilities. They provided a team overview and discussed their investment objectives and philosophy and macro-driven investment process. They reviewed past performance, discussed risk management, and outlined their fee schedule.

National Investment Services was in attendance to present on intermediate fixed income investing. They provided a firm overview and discussed their investment philosophy and process and that their portfolio managers are sector specialists. They reviewed intermediate fixed income performance and their fee schedule.

Investment Consultant indicated that there is \$42 million to allocate to the fixed income space. A robust discussion ensued, and it was decided to split the allocation evenly to both Boyd Watterson and NIS, with partial funding coming from the liquidation of the Loomis Sayles fund.

R.B. 24-007 MOTION by Lowenberg, supported by Harvey, to approve liquidation of the Loomis Sayles NHIT Intermediate Duration Fund and allocation of 50% to new manager Boyd Watterson and 50% to new manager National Investment Services. MOTION CARRIED UNANIMOUSLY

Investment Consultant reviewed market values and manager allocations, liquidity, and rebalancing. He recommended reducing allocations to 1607 and ABS and liquidating the Fidelity fund.

R.B. 24-008 MOTION by Harvey, supported by Lowenberg, to approve the liquidation of Fidelity Extended Market Fund, a reduction of \$4,400,000 to 1607 Capital Fund, and a reduction of \$800,000 to ABS Emerging Markets Fund with all proceeds being split evenly between new managers Boyd Watterson and National Investment Services. MOTION CARRIED UNANIMOUSLY

Investment Consultant will have a recommendation of YCM rebalancing by fund at the February meeting, which will provide additional funding to the two new intermediate fixed income managers, Boyd Watterson and NIS.

The 2024 Administrative Calendar was presented and reviewed. It was noted that terms have expired for citizen representative trustees. Both Trustees indicated that they had a desire to continue in their roles as trustees.

R.B. 24-009 MOTION by Harvey, supported by Lowenberg, to approve the 2024 Administrative Calendar as presented. MOTION CARRIED UNANIMOUSLY

R.B. 24-010 MOTION by Fisher, supported by Lowenberg, to direct that Retirement Program Director send reappointment recommendation letters for Audrey Harvey and Duane Garth to the City Council Boards & Commissions Committee. MOTION CARRIED UNANIMOUSLY

Review of Retirement Program Director was revisited from last month. The Board discussed various aspects of her current contract. Future salary considerations will be further researched and discussed at the February meeting. Legal Counsel will prepare a contract update draft for review.

Legal Counsel discussed PA 214 amendments to the Open Meetings Act and what specific requirements the Board wants to include in a policy. Informal discussion ensued about the framework and what will be allowed. Retirement Program Director will consult the Technology Services Department to find out what platforms are available for virtual meetings and what tools are required. Legal Counsel will start drafting a policy for review and discussion at the next meeting to provide guidance on policy changes.

Retirement Program Director inquired what the Retirement System's role, if any, should be regarding the elimination of Michigan state tax withholding for Fire & Police. Legal Counsel indicated that the System does not provide tax advice and, therefore, the Retirement Program Director should not take any proactive action to educate retirees on new tax laws. Retirees may continue to contact the Retirement Program Director with changes they are seeking to accommodate the impact of the new law.

Irv Lowenberg asked the Board for permission to attend the iConnections Global Alts 2024 conference in Miami Beach, FL.

R.B. 24-011 MOTION by Fisher, supported by Harvey, to approve attendance for all Trustees at the iConnections Global Alts 2024 conference in Miami Beach, FL from January 29 – February 1, 2024. MOTION CARRIED UNANIMOUSLY

There being no further business to come before the Board, the meeting was adjourned at 4:17 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on February 13, 2024