

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

MAY 12, 2026

The Board convened in Council Study at 12:00 p.m. The Meeting was started at 12:08 p.m. by President Fisher.

PRESENT: John Fisher; Audrey Harvey (virtually); Irv Lowenberg; Brent Wilson

ABSENT: Duane Garth

ALSO

PRESENT: Michael VanOverbeke and Angelica Brown, Legal Counsel/VMT; Brian Green, Investment Consultant/Mariner; Megan Battersby, Retirement Program Director/SFPRS; Clay Clemens and Sarah McDonald, Investment Manager/PGIM; Nicholas Vician, Investment Manager/TerraCap

R.B. 26-042 MOTION by Wilson, supported by Lowenberg, to approve Regular Meeting Minutes, Southfield Fire and Police Retirement System Board, April 14, 2026. MOTION CARRIED UNANIMOUSLY

R.B. 26-043 MOTION by Lowenberg, supported by Wilson, to acknowledge receipt of Portfolio Summary Report as of April 30, 2026, in the amount of \$223,685,428.04. CARRIED UNANIMOUSLY

R.B. 26-044 MOTION by Lowenberg, supported by Wilson, to approve payment of invoices as follows: Invoice from YCM for asset management services for the period 1/1/2026 – 3/31/2026 in the amount of \$11,624.47; Invoice from NIS for asset management services for the quarter ended March 31, 2026 in the amount of \$10,992.00; Invoice from 1607 for asset management services for the period 1/1/26 through 3/31/26 in the amount of \$73,351.96; Credit card statement for the period 04/03/26 – 05/02/26 in the amount of \$120.52; Invoice from Boyd Watterson for asset management services for the period 1/1/226 through 3/31/2026 in the amount of \$8,829.00. MOTION CARRIED UNANIMOUSLY

R.B. 26-045 MOTION by Lowenberg, supported by Wilson, to acknowledge receipt of Informational Item as follows: YTD 2025-2026 Budget. MOTION CARRIED UNANIMOUSLY

R.B. 26-046 MOTION by Fisher, supported by Wilson, to acknowledge receipt and approval of DROP Distribution Elections from D. Denham, C. Smith. MOTION CARRIED UNANIMOUSLY

PGIM presented an annual update for PRISA, PRISA II, and PRISA III funds. They provided a comprehensive overview of the organization. They reviewed each fund, including a team

overview, composite snapshot, and investment performance. They discussed drivers of performance and how they are positioned for continued outperformance.

TerraCap provided a valuation and strategy update. They discussed the change in property prices from 2022 peak to now and how prices are down across asset classes. They talked about how the unprecedented increase in interest rates has impacted real estate values and their strategy for rebuilding values.

Investment Consultant presented the Investment Performance Review for the period ending March 31, 2026. The Executive Summary was as follows:

The first quarter of 2026 was defined by a sharp pivot in market sentiment, transitioning from early optimism to a "risk-off" environment driven by the geopolitical conflict in the Middle East. Early gains for stocks and bonds vanished in March as oil prices skyrocketed (Brent crude rose over 55% in March). The increase in energy costs creates additional inflationary fears and acts to curtail economic growth. The S&P 500 ended the quarter with a 4.33% loss, while small and mid-cap equities managed modest gains. Value handily outperformed Growth as investors rotated away from expensive AI stocks and into more defensive sectors, particularly Energy. International stocks experienced the most severe reversal, rising by over 10% in the first two months and falling by over 10% in March (ended the quarter in negative territory). With the upward shift in yields and fading hopes for rate cuts from the Fed, fixed income also suffered a slight loss (Bloomberg US Aggregate -0.05%) in the 1st quarter.

1. Total Fund return of -0.72% underperformed the Policy Index return of -0.55% and ranked in the 34th percentile. The primary drivers of the underperformance was 1607 and Nantucket.
2. Within the Large Cap allocation, the S&P Dividend Aristocrat returned +2.41%, with Value at +0.03% and Growth at -8.10%.
3. Within the small cap allocation, Reinhart nearly matched at +1.88% vs. +2.04%. The S&P 600 Small Cap index returned +3.55%.
4. Within International Equity, ABS outperformed their index, 1607 underperformed. 1607 due to NAV contraction, ABS outperformed due to their smaller cap bias.
5. Within Fixed Income, Boyd Watterson lagged by 0.08%, NIS beat the benchmark by 0.11% for the quarter. Marathon I continues to distribute capital each quarter, Fund II is 71% deployed. Bloomfield Capital is now fully deployed. Periodic capital calls are received for Monroe Capital Fund V, Marathon Distressed Credit Fund II, and EnTrust Blue Ocean Fund II.
6. Within the hedge fund allocation, Nantucket lagged the index due to technology and growth holdings.
7. Within Real Estate, PRISA I, II, and III outperformed for the quarter. JCR IV is actively harvesting. Ares (Landmark) Fund VII had continued activity during the quarter and is

approximately 66% called. TerraCap is 100% called. Artemis is 59% called and Centerbridge has called 70% of capital.

8. Constitution Co-invest fund called 99% of the commitment. The Partnership fund has called 77% of capital.
9. As of quarter end the Total Fund was in compliance with Public Act 314.

R.B. 26-047 MOTION by Wilson, supported by Lowenberg, to approve the quarterly market rate of return as of March 31, 2026, of -.7200%. MOTION CARRIED UNANIMOUSLY

R.B. 26-048 MOTION by Lowenberg, supported by Wilson, to transfer \$1,500,000 from YCM S&P 500 Growth Fund to Cash. MOTION CARRIED UNANIMOUSLY

Legal Counsel did not have anything formal to report to the Board. He indicated that he still wants to speak with the City Administrator regarding the importance of Trustees attending educational programs.

Retirement Program Director discussed additional updates that are needed to the pension management software.

R.B. 26-049 MOTION by Fisher, supported by Harvey, to approve the additional GRS fee of \$2,000 to update pension software. MOTION CARRIED UNANIMOUSLY

There being no further business to come before the Board, the meeting was adjourned at 2:30 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on June 9, 2026.