

**SOUTHFIELD RETIREE HEALTH CARE BENEFITS PLAN AND TRUST
REGULAR MEETING – TUESDAY – DECEMBER 7, 2021
VIA TELECONFERENCE – 3:30 p.m.**

MINUTES

Board Members Present: John Fisher, Chair, Oscoda County, MI; Karen Elly, Wayne County, MI; Duane Garth, Oakland County, MI; Audrey Harvey, Wayne County, MI; Irv Lowenberg, Oakland County, MI (late arrival); Julius Maisano, Wayne County, MI; L. Susan Mannisto, Oakland County, MI; Ron Miller, Oakland County, MI; Donna Sanders, Oakland County, MI; Brent Wilson, Oakland County, MI

Board Members Absent: Fred Zorn

Others Present: Megan Battersby, Administrator/RHC; Michael VanOverbeke and Frank Judd, Legal Counsel/VMT; Eric Burger and Amy Cole and William Messner, Investment Consultants/Graystone Consulting; Jeff Tebeau/GRS

The meeting was called to order by John Fisher at 3:32 p.m.

APPROVAL OF AGENDA

MOTION #RHC-21-028

Motion by Harvey, supported by Sanders, to approve Agenda, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, December 7, 2021. Motion Carried Unanimously

APPROVAL OF MINUTES

1. September 14, 2021 Regular Meeting Minutes

MOTION #RHC-21-029

Motion by Harvey, supported by Miller, to approve Meeting Minutes, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, September 14, 2021. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. Comerica credit card statement
 - b. Clarkston Capital invoice
 - c. Ancora invoice
 - d. Hamlin Capital invoice
 - e. Comerica Q3 2021 Invoices

MOTION #RHC-21-030

Motion by Harvey, supported by Sanders, to acknowledge and receive informational items as presented. Motion Carried Unanimously

2. Refund of Contributions
 - a. E. Anderson
 - b. D. Hall

MOTION #RHC-21-031

Motion by Harvey, supported by Mannisto, to approve refund of contributions to E. Anderson and D. Hall. Motion Carried Unanimously

3. Approval of Bills and Expenses
 - a. Expense report from K. Elly for 2021 MAPERS Fall Conference
 - b. Invoice from MAPERS for 2022 Membership Renewal in the amount of \$200.00
 - c. Invoice from GRS for GASB Statement No. 74 Reporting and Accounting Schedules as of June 30, 2021 in the amount of \$12,000.00
 - d. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 07/01/2021 thru 09/30/2021 in the amount of \$380.00

MOTION #RHC-21-032

Motion by Harvey, supported by Wilson, to approve payment of bills and expenses as presented. Motion Carried Unanimously

NEW BUSINESS

1. Draft GASB Report
2. 2022 Meeting Schedule
3. Elect Board Officers

Actuary presented the draft GASB report as of June 30, 2021 which is based on the last actuarial valuation as of June 30, 2019.

MOTION #RHC-21-033

Motion by Harvey, supported by Maisano, to accept and approve draft City of Southfield Retiree Health Care Benefits Plan and Trust GASB Statement Nos. 74 and 75 Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans as of June 30, 2021 and direct that the actuary finalizes the report. MOTION CARRIED UNANIMOUSLY

Irv Lowenberg entered the meeting.

It was discussed that data still needed for the June 30, 2021 valuation has not yet been provided by the City. Administrator was instructed to copy HR Director and Deputy Director on all future communications to obtain data.

MOTION #RHC-21-034

Motion by Harvey, supported by Mannisto, to acknowledge 2022 meeting dates on Tuesdays at 3:30 p.m. as follows: February 8, May 10, September 13, and December 13.
MOTION CARRIED UNANIMOUSLY

MOTION #RHC-21-035

Motion by Harvey, supported by Wilson, to continue the existing slate of Officers for 2022.
Motion Carried Unanimously

OLD BUSINESS

1. None

INVESTMENT CONSULTANT REPORT

1. Quarterly Review
2. Other matters deemed pertinent

Investment Consultants presented the quarterly review as of September 30, 2021 to the Board. Quarterly overview, final performance numbers for the quarter ended 6/30/21, and preliminary performance numbers for the third quarter were presented. Portfolio positioning update, asset allocation overview, liquidity terms, investment manager fees, and next steps were discussed. Total fund return was -1.01% for the quarter. Asset allocation breakdown was discussed and individual manager performances were reviewed. Asset allocation and rebalancing was presented. Illiquids funding protocol continues to be from Cash and then Vanguard Total Stock Market ETF.

MOTION #RHC-21-036

Motion by Harvey, supported by Mannisto, to approve recommendation of Investment Consultant to rebalance the portfolio by reallocating \$1,389,000 from Cash Fund, \$66,000 from Vanguard Total Stock Market ETF, \$1,300,000 from Hamlin Equity Income, \$1,200,000 from Kopernik Global All Cap, and \$850,000 from Vanguard Emerging Markets ETF as follows: \$350,000 to Ancora Small/Midcap, \$880,000 to Clarkston Capital Small/Midcap Fund, \$1,750,000 to Europacific Growth R6, \$775,000 to Loomis Sayles Investment Grade Bond Fund, \$450,000 to JPM Strategic Income Fund, \$200,000 to Abbey Capital ACL, and \$400,000 to Graham Absolute Return. Motion Carried Unanimously

Bill Messner informed the Board that he was retiring at the end of December and thanked them for their support over the years.

LEGAL COUNSEL REPORT

1. Matters deemed pertinent

Legal Counsel stated that the ability to meet in a virtual format expires at the end of December for reasons other than military service and he does not foresee amendments being enacted before expiration. Therefore, the Board should be prepared to meet in person in 2022.

Legal Counsel indicated that, although the Board approved a consent to assignment for Ancora in September, the document was received in a different format so he recommends approving a reaffirmation agreement.

MOTION #RHC-21-037

Motion by Harvey, supported by Mannisto, to approve Ancora Advisors, LLC Reaffirmation Agreement effective retroactively to October 1, 2021 as presented by Legal Counsel. Motion Carried Unanimously

PUBLIC COMMENT

The Board discussed meeting space for 2022. Council Study is currently available for all meeting dates.

There being no further business to come before the Board, the meeting was adjourned at 4:55 p.m.

Prepared by Megan Battersby, Administrator

Approved by Board Motion on February 8, 2022