

**SOUTHFIELD RETIREE HEALTH CARE BENEFITS PLAN AND TRUST
REGULAR MEETING – TUESDAY – FEBRUARY 13, 2024
COUNCIL STUDY – 3:00 p.m.**

MINUTES

Board Members Present: John Fisher, Chair; Karen Elly; Audrey Harvey; Irv Lowenberg; Julius Maisano; L. Susan Mannisto; Ron Miller; Brent Wilson; Fred Zorn (late arrival)

Board Members Absent: Duane Garth; Donna Sanders

Others Present: Megan Battersby, Administrator/RHC; Michael VanOverbeke, Legal Counsel/VMT; Erik Burger and Amy Cole, Investment Consultants/Graystone Consulting

The meeting was called to order by Chairman Fisher at 3:07 p.m.

APPROVAL OF AGENDA

MOTION #RHC-24-001

Motion by Mannisto, supported by Miller, to approve Agenda, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, February 13, 2024, as presented. Motion Carried Unanimously

APPROVAL OF MINUTES

1. November 14, 2023 Regular Meeting Minutes
2. December 14, 2024 Special Meeting Minutes

MOTION #RHC-24-002

Motion by Mannisto, supported by Harvey, to approve Meeting Minutes, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, November 14, 2023. Motion Carried Unanimously

MOTION #RHC-24-003

Motion by Harvey, supported by Mannisto, to approve Meeting Minutes, Southfield Retiree Health Care Benefits Plan and Trust, Special Meeting, Tuesday, December 14, 2023. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. Comerica invoices
 - b. Credit Card statement
 - c. Morgan Stanley invoice
 - d. Ancora invoice
 - e. Hamlin invoice

MOTION #RHC-24-004

Motion by Maisano, supported by Lowenberg, to acknowledge and receive informational items as presented. Motion Carried Unanimously

Fred Zorn entered meeting.

2. Refund of Contributions
 - a. D. Pirronello

MOTION #RHC-24-005

Motion by Maisano, supported by Mannisto, to approve refund of contributions to D. Pirronello. Motion Carried Unanimously

3. Approval of Bills and Expenses
 - a. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 01/01/2023 thru 06/30/2023 in the amount of \$7,065.80
 - b. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 07/01/2023 thru 09/30/2023 in the amount of \$1,682.70
 - c. Invoice from GRS for GASB Statement No. 74 and No. 75 Reporting and Accounting Schedules as of June 30, 2023 in the net amount of \$12,000.00 (City will pay \$4,200.00 of total invoice)
 - d. Invoice from DeRoy & Devereaux for asset management services for the period ending December 31, 2023 in the amount of \$12,776.00

MOTION #RHC-24-006

Motion by Miller, supported by Harvey, to approve payment of invoice as follows: Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 01/01/2023 thru 06/30/2023 in the amount of \$7,065.80; Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 07/01/2023 thru 09/30/2023 in the amount of \$1,682.70; Invoice from GRS for GASB Statement No. 74 and No. 75 Reporting and Accounting Schedules as of June 30, 2023 in the net amount of \$12,000.00 (City will pay \$4,200.00 of total invoice); Invoice from DeRoy & Devereaux for asset management services for the period ending December 31, 2023 in the amount of \$12,776.00. Motion Carried Unanimously

NEW BUSINESS

1. GASB Statements Nos. 74 and 75 Financial Reporting as of June 30, 2023

MOTION #RHC-24-007

Motion by Mannisto, supported by Wilson, to accept and approve final 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, 2023. Motion Carried Unanimously

OLD BUSINESS

1. None

LEGAL COUNSEL REPORT

1. Memo regarding Open Meetings Act Amendments
2. Matters deemed pertinent

Legal Counsel indicated that PA 214 (Open Meeting Act amendments) was signed by the Governor and is effective February 13, 2024. He will prepare a draft policy for the Board that will outline the structure of what the Board may want to allow.

INVESTMENT CONSULTANT REPORT

1. Quarterly Investment Report as of December 31, 2023
2. Other matters deemed pertinent

Investment Consultant presented market commentary for the quarter as well as the quarterly review as of December 31, 2023 to the Board. Total fund performance for the quarter of 6.55% and individual fund performances were reviewed. Allocations under Michigan Public Act 314 were reviewed, and the Plan is in compliance.

Asset allocation/rebalance was reviewed and Investment Consultant recommended no action at this time.

Investment Consultant presented Large Cap Growth Search. They indicated that 6-7% of the portfolio, or \$8-\$10 million, was available for allocation.

MOTION #RHC-24-008

Motion by Lowenberg, supported by Harvey, to allocate \$4,000,000 to Loomis Sayles Large Cap Growth Fund and \$4,000,000 to Russell 100 Growth Index Fund, and direct that the Investment Consultant research to determine the lowest cost option for the Index Fund, pending legal review. Motion Carried Unanimously

Alidade Capital is seeking approval for an extension of the term of Fund IV to utilize two of the one year extension periods.

MOTION #RHC-24-009

Motion by Mannisto, supported by Wilson, to approve Alidade Capital's request for two separate one-year extensions, extending the Fund term from April 10, 2025 to April 10, 2026 with the first one-year extension, and subsequently from April 10, 2026 to April 10, 2027 with the second one-year extension, as proposed and recommended by Alidade Capital and recommended by Investment Consultant, and subject to legal review. Motion Carried Unanimously

PUBLIC/TRUSTEE COMMENTS

There was a brief discussion regarding SERS' RFI for custodial services.

There being no further business to come before the Board, the meeting was adjourned at 4:11 p.m.

Prepared by Megan Battersby, Administrator

Approved by Board Motion on May 14, 2024