

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – DECEMBER 14, 2021
VIA TELECONFERENCE – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair, Wayne County, MI; Chris Diaz, Oakland County, MI; L. Susan Mannisto, Oakland County, MI; Ron Miller, Oakland County, MI; Lauri Siskind, Riverside County, CA; Donna Sanders, Oakland County, MI

Board Members Absent:

Others Present: Megan Battersby, Retirement Administrator/SERS; Chris Kuhn, Investment Consultant/AndCo; Michael VanOverbeke, Legal Counsel/VMT

The meeting was called to order by Julius Maisano, Chair, at 5:45 p.m. with a roll-call.

APPROVAL OF AGENDA

MOTION #S-21-078

Motion by Mannisto, supported by Siskind, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, December 14, 2021. Motion Carried Unanimously

APPROVAL OF MINUTES

1. November 16, 2021 Regular Meeting Minutes

MOTION #S-21-079

Motion by Diaz, supported by Sanders, to approve Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, November 16, 2021. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. FOIA response dated November 18, 2021
2. Cash Account Report
 - a. None
3. Applications for Retirement
 - a. B. Stewart, 01/28/2022, Early Retirement
 - b. B. Stewart, Disability

4. Authorization of Benefits
 - a. None
5. Refund of Contributions
 - a. S. Kirksey-Sherman
6. Approval of Bills and Expenses
 - a. Invoice from VanOverbeke Michaud & Timmony, P.C. for legal services rendered for the period 07/01/2021 thru 09/30/2021 in the amount of \$1,980.00
 - b. Invoice from Great Lakes Advisors for asset management services for the period 10/1/2021 through 12/03/2021 in the amount of \$8,136.58
 - c. Invoice from Med Source Services for disability examination of J. Stephenson on December 1, 2021 in the amount of \$4,700.00

MOTION #S-21-080

Motion by Siskind, supported by Diaz, to approve Consent Agenda as presented. Motion Carried Unanimously

PUBLIC COMMENT

No comments were made.

INVESTMENT CONSULTANT REPORT

1. Market Update
2. Asset/Manager Summary
3. Introduction to Private Equity

Investment Consultant distributed the November Capital Market Summary and updated market values. He discussed the decline in stocks and the slight gains in fixed income. He reviewed the Fund's current allocations, highlighting the zero balance in the Great Lakes account and the adjusted targets to the other equity managers. He also noted the slight overweight in equities and underweight in fixed income; he recommended no actions.

He reviewed the change in ownership structure at Walthausen due to the retirement of their founder, John Walthausen. He indicated he had provided a memo about this change and recommended the Board approve the manager's request to consent to the change.

MOTION #S-21-081

Motion by Mannisto, supported by Miller, to acknowledge receipt of the memo from Investment Consultant dated December 14, 2021 regarding change of ownership at Walthausen & Co. recommending consent to the change of ownership and continuation of the advisory agreement in place. Motion Carried Unanimously

Investment Consultant asked if the Board would like to proceed with the Private Equity primer now or table the presentation until January and the Board decided to table the presentation until the next meeting. A fee modification for the Comerica Collective Funds and their internal

partnership with Yousif Capital Management was discussed.

MOTION #S-21-082

Motion by Siskind, supported by Mannisto, to approve modified fee schedule for Comerica Bank/Yousif Capital Management Comerica Large Cap Equity Index Fund – Institutional Class of 2.5 basis points effective January 1, 2022. Motion Carried Unanimously

LEGAL COUNSEL REPORT

1. Matters deemed pertinent

Legal Counsel reminded the Board that they must meet in person in January and can no longer call in and fully participate. Amendments to the Open Meeting Act have been introduced but the Governor is not supporting them because they are not global enough in nature. He will continue to work with MAPERS toward an amendment that will be supported.

RETIREMENT ADMINISTRATOR REPORT

1. BS&A conversion update
2. Other matters deemed pertinent

Retirement Administrator indicated that she has concluded that the new payroll system will not be able to provide historical pensionable pay data needed to determine Final Average Comp. Julius Maisano will follow up with City Administrator regarding the importance of this matter.

Retirement Administrator informed the Board that one doctor who has been contacted for (Stewart disability) medical records will be changing a fee and asked if she has authorization to pay the fee before it will be approved at the next Board meeting.

MOTION #S-21-083

Motion by Siskind, supported by Mannisto, to approve payment of medical records fees as required in relation to the Stewart disability retirement application. Motion Carried Unanimously

OLD BUSINESS

1. Stephenson disability retirement application

Retirement Administrator informed the Board that the Stephenson disability medical report was received and that the recommendation of the examining physician, upon examination of the member and review of all medical records, is that the member is totally and permanently disabled.

MOTION #S-21-084

Motion by Mannisto, supported by Sanders, to acknowledge receipt of Medical Director's report dated December 10, 2021 finding that James Stephenson is totally disabled for duty and that such incapacity will probably be permanent and resolve to grant a non-duty disability retirement to said member effective December 15, 2021. Motion Carried Unanimously

NEW BUSINESS

1. Final Actuarial Valuation Report as of June 30, 2021
2. Final GASB Report as of June 30, 2021
3. 2022 Meeting Schedule

MOTION #S-21-085

Motion by Mannisto, supported by Sanders, to receive and file the final City of Southfield Employee Retirement System Fifty-Sixth Actuarial Valuation Report as of June 30, 2021 with a computed employer contribution rate of 28.76% and a minimum dollar contribution of \$4,648,973 for the fiscal year beginning July 1, 2022, and direct that a copy be provided to the City. Motion Carried Unanimously

MOTION #S-21-086

Motion by Mannisto, supported by Miller, to receive and file the final City of Southfield Employee Retirement System GASB Statement Nos. 67 and 68 Accounting and Financial Reporting for Pensions as of June 30, 2021 and direct that a copy be provided to the City. Motion Carried Unanimously

Proposed schedule of 2022 meeting dates was presented and discussed. Retirement Administrator indicated that Council Study is available for all dates that are being considered.

MOTION #S-21-087

Motion by Miller, supported by Siskind, to approve 2022 meeting dates as follows: January 11, February 15, March 15, April 19, May 17, June 21, July 19, August 16, September 13, October 19 (Wednesday), November 15, December 13. Motion Carried Unanimously

PENDING MATTERS

1. Retirement Handbook: Lead/Maisano, Timeframe/TBD
No update/discussion.
2. Pension Calculator: Lead/Maisano, Timeframe/TBD
No update/discussion.
3. Pension Eligibility and Calculation Demonstration: Lead/Battersby, Timeframe/TBD
No update/discussion.
4. Trust Statement Reconciliation Responsibility and Procedure: Lead/TBD,
Timeframe/TBD
No update/discussion.

TRUSTEE COMMENT/OPEN FORUM

L. Susan Mannisto asked that Board officer election process guidelines be included with the next agenda.

Lauri Siskind asked Legal Counsel about the requirements for an actuarial peer review audit. He will research and report next month.

Lauri Siskind also asked the ACS Commissioners if they could share any information about the requests they have received for the conversion of non-career time to career time for purpose of SERS credited service. They indicated that it would be discussed at the next ACS meeting in one week.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:36 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on January 11, 2022