

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM  
REGULAR MEETING – TUESDAY – JULY 18, 2023  
COUNCIL STUDY – 5:00 p.m.**

**MINUTES**

Board Members Present: Ron Miller, Chair; Chris Diaz; Julius Maisano; L. Susan Mannisto; Lauri Siskind

Board Members Absent: Donna Sanders; Ari Gelberman/Alternate

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

The meeting was called to order by Ron Miller, Chair, at 5:02 p.m.

**APPROVAL OF AGENDA**

**MOTION #S-23-036**

Motion by Mannisto, supported by Siskind, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, July 18, 2023. Motion Carried Unanimously

**APPROVAL OF MINUTES**

1. June 14, 2023, Regular Meeting Minutes

**MOTION #S-23-037**

Motion by Diaz, supported by Siskind, to approve Minutes, Southfield Employee Retirement System, Regular Meeting, Wednesday, June 14, 2023. Motion Carried Unanimously

**CONSENT AGENDA**

1. Informational Items
  - a. Comerica Letter
2. Cash Account Report
  - a. None
3. Applications for Retirement
  - a. D. Pirronello, 09/01/2023
4. Authorization of Benefits
  - a. J. Spence
  - b. O. Price

5. Refund of Contributions

- a. None

6. Approval of Bills and Expenses

- a. Statement from Elan Financial Services for credit changes for the period 06/06/2023 to 07/06/2023 in the amount of \$1,784.69
- b. Invoice from AndCo for consulting services and performance evaluation for the period April 1, 2023 – June 30, 2023 in the amount of \$17,500.00
- c. Invoice from Reinhart Partners for asset management services for the period Q2, 2023 in the amount of \$23,504.00
- d. Invoice from LSV for asset management services for the period April 01 to June 30, 2023 in the amount of \$18,655.00

**MOTION #S-23-038**

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

**PUBLIC COMMENT**

No comments were made.

**INVESTMENT CONSULTANT REPORT**

- 1. Asset/Manager Summary
- 2. Market/Allocation Review

Investment Consultant distributed the June Market Summary and updated market values, noting the strong returns across the US equity markets and small decline in fixed income. He recommended no action at this time. He informed the Board that Reinhart had notified their clients that their pending sale to Sprouting Rock would not be completed.

**MOTION #S-23-039**

Motion by Siskind, supported by Diaz, to receive and file Investment Consultant Report as presented. Motion Carried Unanimously

**LEGAL COUNSEL REPORT**

- 1. Retirement Handbook
- 2. Eligible Rollover Distributions Memo/Resolution/Notice
- 3. Other matters deemed pertinent

Legal Counsel discussed the retirement handbook and questions and answers draft documents that he sent out last month. He is still awaiting response comments from Trustees. Various questions and comments Ron Miller had were addressed. As soon as he receives other Trustee comments, he will incorporate them and send out new drafts.

Legal Counsel provided a revised IRC 402 rollover notice which has been updated based on the SECURE 2.0 Act of 2022. He recommended adoption of a resolution adopting and incorporating the necessary modifications as follows:

## **CITY OF SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM**

### **R E S O L U T I O N**

**Adopted: July 18, 2023**

**Re: Eligible Rollover Distributions**

WHEREAS, the Board of Trustees is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, and

WHEREAS, the Board of Trustees acknowledges that Section 402(f) of the Internal Revenue Code (the “Code”) requires the Board to provide written notice and explanation to recipients of eligible rollover distributions from the Retirement System (hereinafter, the “Safe Harbor Notice”), and

WHEREAS, applicable tax law and regulations require said Safe Harbor Notice to be provided within a reasonable period of time in advance of such distributions, and

WHEREAS, the SECURE 2.0 Act of 2022 (“SECURE 2.0”) was enacted on December 29, 2022, resulting in the modification of applicable federal retirement laws and regulations, and

WHEREAS, several changes under SECURE 2.0 require modification of the safe harbor explanations that may be used to satisfy the requirements of Code Section 402(f), and

WHEREAS, legal counsel has prepared a revised Safe Harbor Notice consistent with the provisions and SECURE 2.0 and the requirements of Section 402(f), and

WHEREAS, the Board of Trustees has discussed this matter with legal counsel, therefore be it

RESOLVED, that the Retirement System’s Safe-Harbor Notice is hereby amended to comply with the requirements of SECURE 2.0 and Section 402(f) of the Code, and further

RESOLVED, that the Board of Trustees hereby adopts the revised Safe Harbor Notice consistent with the requirements of SECURE 2.0, and further

RESOLVED, that the Safe Harbor Notice be provided to recipients of eligible rollover distributions from the Retirement System consistent with Code Section 402(f), and further

RESOLVED, that a copy of this resolution shall be retained in accordance with the Retirement System’s record retention policy and provided to all appropriate parties.

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**MOTION #S-23-040**

Motion by Mannisto, supported by Diaz, to approve Policy Resolution Re: Eligible Rollover Distributions as presented. Motion Carried Unanimously

**RETIREMENT ADMINISTRATOR REPORT**

1. Management Group inclusion in SERS
2. Other matters deemed pertinent

Retirement Administrator informed the Board that three management group employees have opted-in to the SERS Tier II plan and three have opted-out. Based on the information known, July 24 is the deadline for opting-in to SERS.

**OLD BUSINESS**

1. None

**NEW BUSINESS**

1. MAPERS 2023 Fall Conference Delegates
2. Evaluation of Investment Consultant

**MOTION #S-23-041**

Motion by Siskind, supported by Diaz, to designate Chris Diaz and Julius Maisano as official delegates and Ron Miller and Megan Battersby as alternate delegates. Motion Carried Unanimously

The Board discussed review frequency and process for consultants including how involved the review should be. Investment Consultant was last received in December 2018. He was asked to provide some updated survey information on fees and a summary of the services AndCo has been providing. The item will be placed on the October meeting agenda for further review.

**PENDING MATTERS**

1. Pre-Retirement Workshop

This topic will be further addressed after the retiree handbook is published.

**TRUSTEE COMMENT/OPEN FORUM**

No comments were made.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at 5:54 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on August 15, 2023