

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – MAY 13, 2025
COUNCIL STUDY – 5:00 p.m.**

MINUTES

Board Members Present: Chris Diaz; David Aniol; Evan Cunningham; Willie Martin; Ron Miller; Donna Sanders; Lauri Siskind

Board Members Absent:

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

The meeting was called to order by Chris Diaz, Chair, at 5:06 p.m.

APPROVAL OF AGENDA

MOTION #S-25-026

Motion by Siskind, supported by Sanders, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, May 13, 2025, as presented. Motion Carried Unanimously

APPROVAL OF MINUTES

1. April 8, 2025 Regular Meeting Minutes

MOTION #S-25-027

Motion by Sanders, supported by Martin, to approve Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, April 8, 2025, Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. FOIA response
2. Applications for Retirement
 - a. None
3. Authorization of Benefits
 - a. None
4. Refund of Contributions
 - a. None

5. Approval of Bills and Expenses

- a. Invoice from Reinhart for asset management services for the period Quarter 1, 2025 in the amount of \$21,476.00
- b. Invoice from LSV for asset management services for the period January 01 to March 31, 2025 in the amount of \$20,227.00
- c. Invoice from WCM for asset management services for the period 01/01/2025 to 03/31/2025 in the amount of \$18,458.50
- d. Invoice from PIA for asset management services for the period January 1, 2025 through March 31, 2025 in the amount of \$14,092.00
- e. Invoice from Champlain for asset management services for the period 01 January 2025 to 31 March 2025 in the amount of \$24,233.94
- f. Invoice from Dero & Devereaux for asset management services for the period ending March 31, 2025 in the amount of \$19,620.00
- g. Credit card statement for the period 04/04/2025 to 05/06/2025 in the amount of \$1,154.81

MOTION #S-25-028

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

UNFINISHED BUSINESS

1. Pension Calculator

The item was tabled pending presentation again at a future meeting for final approval.

NEW BUSINESS

1. Auditor recommendation
2. Summary Annual Report, June 30, 2023
3. Summary Annual Report, June 30, 2024

The Board discussed the auditor's recommendation and asked the Retirement Administrator to obtain a copy of the analysis from 2019 that was used to support the interest rate assumption that the auditor references. She was instructed to direct the auditor to the Investment Consultant with any questions.

MOTION #S-25-029

Motion by Cunningham, supported by Sanders, to approve Summary Annual Report, June 30, 2023, and Summary Annual Report, June 30, 2024, as presented. Motion Carried Unanimously

INVESTMENT CONSULTANT REPORT

1. Investment Performance Review
2. Market Update
3. Asset/Manager Summary

The Investment Consultant presented the March 31, 2025 Performance Report. He reviewed the markets during the quarter, highlighting the positive returns to start the quarter followed by a sharp drawdown. He discussed several of the factors influencing the downturn, including negative shifts in the labor market, inflation data, consumer confidence and pending tariffs. The Fund was down 0.56% for the quarter and up 4.44% for the year. He reviewed the performance of the managers and noted the relatively good returns from Reinhart and LSV and weaker results from Champlain.

The Investment Consultant presented the April Market Summary and updated market values. He discussed the markets in April, noting the sharp drop to start the month and the rebound in the final two weeks. He recommended rebalancing the fund, including transferring \$1,000,000 from LSV to cash.

MOTION #S-25-030

Motion by Siskind, supported by Sanders, to approve rebalancing as recommended by the Investment Consultant as follows: transfer \$1,000,000 from LSV International Equity Fund to Cash Fund. Motion Carried Unanimously

LEGAL COUNSEL REPORT

1. Medical Director RFI

Legal Counsel indicated that he requested a response from MedSource but nothing has been received, and he suspects that, under their new structure and ownership, there isn't an interest in responding because of the time involved in relation to our size and volume.

He indicated that the Board has two choices as follows: 1) An RFI was issued for due diligence, responses were received, and the Board is comfortable with their current provider, 2) Due to the lack of response from MedSource, review the RFI's for a possible change.

Lauri Siskind indicated that she would ask administrators at the MAPERS Spring Conference if they have experienced any problems with MedSource and bring her findings to the Board for discussion at the June meeting.

Legal Counsel has been waiting for guidance from Treasury on actuarial audit requirements. He previously received a draft indicating that the requirements will only apply to retiree health care plans and recommended that no action be taken on issuing an RFP until final guidelines were issued. An updated draft numbered letter regarding the experience study and actuarial audit requirements in PA 202 of 2017 has been sent out by Treasury to begin a 30-day public comment period. While it confirms that actuarial audits will only be required for RHC plans, he suggested that the Board may want to consider some level of audit in the future as a fiduciary best practice.

RETIREMENT ADMINISTRATOR REPORT

1. Matters deemed pertinent

The Retirement Administrator did not have anything for the Board.

PUBLIC COMMENT

No comments were made.

TRUSTEE COMMENT/OPEN FORUM

No comments were made

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:02 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on June 17, 2025