

**CITY OF SOUTHFIELD
REGULAR MEETING
SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM BOARD
Tuesday, December 8, 2015
Council Conference Room – Main Municipal Building
26000 Evergreen Road, Southfield, MI**

MINUTES

SERS Board Members Present: I. Susan Mannisto, Chair; David Hersh; Coretta Houge;
Jeannie Jackson (*Telephonically*); Mark Jubas; Shirley Lightsey; James Pierce

SERS Board Members Absent: Julius Maisano

Others Present: Lauri Siskind, Human Resources Director/SERS Plan Liaison
Christopher Kuhn, The Bogdahn Group
Michael VanOverbeke; VanOverbeke, Michaud & Timmony, PC
Penelope Scharmberg, Administrative Assistant HR/LR/SERS Secretary

The meeting was called to order at 5:50 p.m.

AGENDA

1. *Approval of Agenda.*
MOTION #S-15-205
Motion by Jubas, supported by Houge to approve the agenda of the December 8, 2015
SERS Regular meeting.
Motion carried.

MINUTES

1. *Review and approve Minutes of the Southfield Employee Retirement System Board Regular Meeting of November 17, 2015.*
MOTION #S-15-206
Motion by Houge, supported by Jubas to approve the Minutes of the Southfield
Employee Retirement System Board Regular Meeting of November 17, 2015.
Motion carried.

APPLICATIONS FOR RETIREMENT

1. *Review and approve Application for Normal Retirement from Donald Young, DPW/Motor Pool, effective January 23, 2016.*
MOTION #S-15-207
Motion by Houge, supported by Hersh to approve the Application for Normal Retirement
from Donald Young, DPW/Motor Pool, effective January 23, 2016.
Motion carried.

AUTHORIZATION OF BENEFITS

1. *Review and approve monthly benefit payment and lump sum contributions to Anton Rasmussen II.*
MOTION #S-15-208
Motion by Houge, supported by Jubas to approve monthly benefit payment and lump sum
contributions to Anton Rasmussen II.
Motion carried.

INVESTMENT CONSULTANT*1. Portfolio Review.*

Mr. Kuhn reported this month showed an increase in the equity market; and continual decrease in the fixed income market. The total fund stands at \$107,817,000. The Templeton account will be funded shortly, reallocating the portfolio by moving international equity funds to international fixed income.

As the calendar allows, Mr. Kuhn will have SouthernSun meet with the board at the January or February meeting to discuss their investment strategy.

Mr. Kuhn informed the board of matters relating to the RMK Timber investment and news of a corruption investigation in Brazil. RMK Timber merged their Brazilian timberland management company, TTG, with BTG Pactual Asset Management, division of BTG Pactual, a Brazilian bank whose former board chair has been arrested in connection with the corruption. Mr. Kuhn indicated that the SERS investment is run by staff in Atlanta, and the individual in question at the Brazil bank has been replaced. The City Council Finance Committee has been informed as well. He will keep the board updated however, at this time the portfolio remains unaffected.

MOTION #S-15-209

Motion by Houge, supported by Pierce to receive and file the SERS performance review presented by Christopher Kuhn, The Bogdahn Group, investment consultants.

Motion carried.

LEGAL REPORT

Mr. VanOverbeke did not have any matters to bring before the board.

ACTUARIAL MATTERS*1. Review and approve 50th Actuarial Valuation.*

Gabriel Roeder Smith & Company provided the board with the finalized version of the 50th Actuarial Valuation Report prepared for SERS as of 6/30/15.

MOTION #S-15-210

Motion by Houge, supported by Hersh to acknowledge the 50th Actuarial Valuation Report as of 6/30/2015 and presentation by Gabriel Roeder Smith & Company at the last meeting; accept the contribution rate; and direct a copy of the report to be supplied to the employer.

Motion carried.

2. Review and approve proposal for 5-Year Experience Study.

Mr. VanOverbeke stated this is best to do every five years and consistent with fiduciary best practices.

MOTION #S-15-211

Motion by Pierce, supported by Houge to accept the fee proposal from Gabriel Roeder Smith & Company to conduct a 5-Year Experience Study (2010 – 2015) for SERS, in the amount of \$16,500.

Motion carried.

FINANCIAL REPORT

The board reviewed the SERS financial reports for October 31, 2015, showing a net asset value of \$103,719,920.

MOTION #S-15-212

Motion by Houge, supported by Pierce to receive and file the SERS financial reports for period ending October 31, 2015.

Motion carried.

FINANCIAL MATTERS*1. Review and approve payment to The Bogdahn Group for investment consultant services for the period 10/1/15 – 12/31/15, in the amount of \$12,500.00.***MOTION #S-15-213**

Motion by Houge, supported by Jubas to approve payment to The Bogdahn Group for investment consultant services for the period 10/1/15 – 12/31/15, in the amount of \$12,500.00.

Motion carried.

2. *Review and approve payment to Gabriel Roeder Smith & Company for 6/30/15 Reporting & Accounting of GASB Statement Nos. 67 & 68, in the amount of \$12,500.00.*

The board discussed and agreed that the SERS plan would only be responsible for GASB Statement No. 67. The City of Southfield would make payment for GASB No. 68, which is a report covering city accounting.

MOTION #S-15-214

Motion by Houge, supported by Jubas to approve payment to Gabriel Roeder Smith & Company for 6/30/15 Reporting & Accounting of GASB Statement No. 67, in the amount of \$10,000.00. The City of Southfield will make payment of \$2,500.00 directly to Gabriel Roeder Smith & Company for preparation of GASB Statement No. 68.

Motion carried.

3. *Review and approve retainer to Gabriel Roeder Smith & Company for actuarial services provided for the period 7/1/15 – 6/30/16, including the 6/30/15 annual actuarial valuation for SERS, in the amount of \$19,400.00.*

MOTION #S-15-215

Motion by Houge, supported by Jubas to approve payment of a retainer to Gabriel Roeder Smith & Company for actuarial services for the period 7/1/15 – 6/30/16, including the 6/30/15 annual actuarial valuation for SERS, in the amount of \$19,400.00.

Motion carried.

4. *Review and approve payment to VanOverbeke, Michaud & Timmony, P.C. for legal services provided during the period 1/1/15 – 3/31/15, in the amount of \$2,268.00.*

MOTION #S-15-216

Motion by Houge, supported by Jubas to approve payment to VanOverbeke, Michaud & Timmony, P.C. for legal services provided during the period 1/1/15 – 3/31/15, in the amount of \$2,268.00.

Motion carried.

5. *Review and approve payment to VanOverbeke, Michaud & Timmony, P.C. for legal services provided during the period 4/1/15 – 6/30/15, in the amount of \$2,664.00.*

MOTION #S-15-217

Motion by Houge, supported by Jubas to approve payment to VanOverbeke, Michaud & Timmony, P.C. for legal services provided during the period 4/1/15 – 6/30/15, in the amount of \$2,664.00.

Motion carried.

6. *Review and approve payment to VanOverbeke, Michaud & Timmony, P.C. for legal services provided during the period 7/1/15 – 9/30/15, in the amount of \$2,070.00.*

MOTION #S-15-218

Motion by Houge, supported by Jubas to approve payment to VanOverbeke, Michaud & Timmony, P.C. for legal services provided during the period 7/1/15 – 9/30/15, in the amount of \$2,070.00.

Motion carried.

7. *Review and approve payment to Cardmember Service for MasterCard Platinum Business Rewards Credit Card activity during the period 8/6/15 – 9/3/15.*

MOTION #S-15-219

Motion by Houge, supported by Jubas to approve payment to Cardmember Service for MasterCard Platinum Business Rewards Credit Card activity during the period 8/6/15 – 9/3/15.

Motion carried.

PUBLIC COMMENTS

Pamela Gerald questioned how the SERS pension was determined. Mr. VanOverbeke responded with an explanation of pension benefit provisions of the SERS ordinance.

OTHER MATTERS

1. *Review and approve the Southfield Employee Retirement System Board Public Meeting Notice for 2016.*

MOTION #S-15-220

Motion by Houge, supported by Hersh to approve the Southfield Employee Retirement System Board Public Meeting Notice for 2016.

Motion carried.

To Do List

- Service Provider Review – Actuarial RFI (JBP & LS)
- Service Provider Review – Attorney
- Pending Board Policies: (may be part of other policies)
 - Record Retention
 - Proxy Voting/Corporate Governance
 - Ordinance Overlooked Matters
- Pension Benefit Calculator (demonstration at next meeting)
- Update on SERS Weblink
- Reschedule Retirement Workshop

With no further business to come before the board, a motion to adjourn was raised.

MOTION #S-15-221

Motion by Jubas, supported by Pierce to adjourn the Southfield Employee Retirement System Board's December 8, 2015 Regular Meeting at 6:30 p.m.

Motion carried.

*Approved this 12th day of January 2016
L. Susan Mannisto, Chair
Southfield Employee Retirement System Board*