

**MINUTES OF THE REGULAR MEETING OF
SOUTHFIELD FIRE & POLICE RETIREMENT SYSTEM BOARD**

July 9, 2019

The Board convened in Library 3rd floor conference room at 11:00 a.m. with President Fisher presiding. The Meeting was started at 11:43 a.m.

PRESENT: John Fisher, Audrey Harvey, Irv Lowenberg

ABSENT: Duane Garth, Brent Wilson

ALSO

PRESENT: Michael VanOverbeke, Legal Counsel/VMT; Brian Green, Investment Consultant/AndCo; Megan Battersby, Retirement Program Director/SFPRS; Mike Cervi and Corey Bronner/Champlain Investment Partners; Kelly Weller and John Bright/Great Lakes Advisors; Rick Plawecki and Matt Martinek/Reinhart Partners

R.B. 19-074 **MOTION** by Harvey, supported by Lowenberg, to approve Minutes of the Regular Meeting of Southfield Fire & Police Retirement System Board on June 11, 2019. **MOTION CARRIED UNANIMOUSLY**

R.B. 19-075 **MOTION** by Lowenberg, supported by Harvey, to acknowledge receipt of Cash & Asset Statement as of May 31, 2019 in the amount of \$191,770,952.69. **MOTION CARRIED UNANIMOUSLY**

R.B. 19-076 **MOTION** by Lowenberg, supported by Harvey, to approve payment of invoices as follows: Expense report from John Fisher for NCPERS Annual Conference; Invoice from AndCo for consulting services and performance evaluation for Q2, 2019 in the amount of \$25,500.00; Invoice from Chase for credit card charges for the period 06/03/19 – 07/02/19 in the amount of \$439.68; Invoice from VanOverbeke, Michaud & Timmony, P.C. for legal services rendered for the period January 1, 2019 through March 31, 2019 in the amount of \$5,833.00. **MOTION CARRIED UNANIMOUSLY**

R.B. 19-077 **MOTION** by Fisher, supported by Harvey, to acknowledge receipt and approval of DROP Distribution Election from A. Rodgers. **MOTION CARRIED UNANIMOUSLY**

A final 2018-2019 Contribution Summary and Reconciliation with information through fiscal year end June 30, 2019 was reviewed. The City made an additional employer contribution on June 28 but there is still a contribution shortfall of \$7,087 based on known data. This reconciliation was sent to the City Fiscal Services Director; the Retirement Program Director was instructed to again inquire whether the City intends to fund the remaining shortage and report on the response next month.

A proposed 2019-2020 annual budget was reviewed. It shows a drop in expected expenses of approximately 8% due to the sale of the Avignon properties.

R.B. 19-078 MOTION by Harvey, supported by Lowenberg, to approve the proposed 2019-2020 annual budget, as presented. MOTION CARRIED UNANIMOUSLY

The GRS proposed Services and Actuarial Fees letter was discussed as was the level of satisfaction with their services. The Board determined that they continue to be comfortable and pleased with GRS and the services they provide to the Fire & Police Retirement System.

R.B. 19-079 MOTION by Lowenberg, supported by Harvey, to approve GRS proposed services and actuarial fees for the period beginning July 1, 2019, as presented. MOTION CARRIED UNANIMOUSLY

John Fisher asked the Board to consider changing the September meeting date to accommodate a Fire Department conflict Brent Wilson has.

R.B. 19-080 MOTION by Fisher, supported by Harvey, to approve a meeting date change from Tuesday, September 10 to Wednesday, September 11, 2019. MOTION CARRIED UNANIMOUSLY

Legal Counsel reviewed a copy of MAPERS 2019 Spring Conference Recent Legal Issues and Decisions which contained brief summaries of recent legal decisions of interest to Michigan public retirement plans. He also reviewed a Michigan Case Update Memorandum Re: Kendzierski, et. al. v. Macomb County. In this case, after back and forth through lower courts, the Michigan Supreme Court ruled that there was no lifetime promise of health care benefits. This decision is noteworthy in that it is one of the first departures from the Tackett decision.

R.B. 19-081 MOTION by Lowenberg, supported by Fisher, to accept and file the legal report, as presented. MOTION CARRIED UNANIMOUSLY

The Investment Consultant presented Market Update as of June 30, 2019.

R.B. 19-082 MOTION by Lowenberg, supported by Harvey, to accept and file Market Update as of June 30, 2019, as presented. MOTION CARRIED UNANIMOUSLY

Representatives from Champlain, Great Lakes and Reinhart attended to present to the Board on their Small Cap Equities funds.

The Investment Consultant indicated that he is targeting a 4-5% Small Cap Equities position to be funded from existing investments. The Board tabled a decision until August when all Trustees could be present. The Investment Consultant will prepare a highlights summary of the three investment managers as well as a fund rebalance exhibit for consideration in August.

The Large Cap Review was tabled until August.

There being no further business to come before the Board, the meeting was adjourned at 2:52 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on August 13, 2019