

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

**December 10, 2019**

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The Board convened in Council Study at 11:30 a.m. with President Fisher presiding. The Meeting was started at 11:37 a.m.

**PRESENT:** John Fisher, Duane Garth, Audrey Harvey, Brent Wilson, Irv Lowenberg (via phone and then present)

**ABSENT:**

**ALSO**

**PRESENT:** Michael VanOverbeke, Legal Counsel/VMT; Brian Green and Philip Schmitt, Investment Consultants/AndCo; Megan Battersby, Retirement Program Director/SFPRS

**R.B. 19-126** **MOTION** by Wilson, supported by Garth, to approve Minutes of the Regular Meeting of Southfield Fire & Police Retirement System Board on November 12, 2019. **MOTION CARRIED UNANIMOUSLY**

**R.B. 19-127** **MOTION** by Wilson, supported by Garth, to acknowledge receipt of Cash & Asset Statement as of October 31, 2019 in the amount of \$194,489,179.74. **MOTION CARRIED UNANIMOUSLY**

**R.B. 19-128** **MOTION** by Wilson, supported by Harvey, to approve payment of invoices as follows: Expense report from Irv Lowenberg for November 12, 2019 meeting lunch; Invoice from NCPERS for 2020 membership renewal in the amount of \$260.00; Invoice from VMT for legal services rendered during the period April 1, 2019 through June 30, 2019 in the amount of \$4,332.00. **MOTION CARRIED UNANIMOUSLY**

**R.B. 19-129** **MOTION** by Wilson, supported by Harvey, to acknowledge receipt of Informational Items including YTD 2019/2020 Budget and Correspondence received during the period November 12 – December 9, 2019. **MOTION CARRIED UNANIMOUSLY**

**R.B. 19-130** **MOTION** by Wilson, supported by Garth, to acknowledge receipt of and approve Retirement Application from G. Seidel. **MOTION CARRIED UNANIMOUSLY**

**R.B. 19-131** **MOTION** by Wilson, supported by Garth, to acknowledge receipt of and approve DROP Distribution Elections from K. James, G. Seidel, and P. Simerly. **MOTION CARRIED UNANIMOUSLY**

**R.B. 19-132** **MOTION** by Wilson, supported by Fisher, to acknowledge receipt of and approve Annuity Withdrawal Distribution Elections from V. Madgy and G. Stirling. **MOTION CARRIED UNANIMOUSLY**

Legal Counsel did not have any specific legal matters on which to report, noting that there were no disruptions to pensions considered in the fall legislative session.

2020 meetings will be held in Council Study with it being noted that Agenda Staff is scheduled on the same days at 9:00 a.m. but no problems are anticipated with room availability.

**R.B. 19-133** MOTION by Garth, supported by Wilson, to receive and file City of Southfield Fire and Police Retirement System 67<sup>th</sup> Actuarial Valuation Report as of June 30, 2019 with a computed employer contribution rate of 42.87% and a minimum dollar contribution of \$8,479,000 for the fiscal year beginning July 1, 2020, and direct that a copy be forwarded to the Employer. MOTION CARRIED UNANIMOUSLY

**R.B. 19-134** MOTION by Wilson, supported by Harvey, to continue the existing slate of Retirement System Officers for 2020. MOTION CARRIED UNANIMOUSLY

The Board Secretary sent out a review template for the annual review of the Retirement Program Director but has not received all responses yet. She will compile the information and provide it to the Board President to review with the Retirement Program Director. A formal report will be provided for the minutes in January.

Philip Schmitt, an expert in the Fixed Income sector and from AndCo's Florida office, was present to meet with the Board. Investment Consultants discussed Market Update as of November 30, 2019. It has been a banner year with stellar YTD returns for both Equities and Fixed Income.

Irv Lowenberg, who had been participating in the meeting via phone, entered the meeting.

Investment Consultants indicated that the transition from Morgan Dempsey to Champlain has been completed. Current market values were reviewed as were actual vs. target allocations. Basket clause limitations and the need to be aware of those limitations for future allocations were discussed.

An analysis of Intermediate Duration Fixed Income Managers was presented. Current allocations to Loomis Sayles and Tortoise were reviewed and compared. Earnings track record, fees, and projected returns all favored Loomis. Investment Consultants recommended consolidating both portfolios into one. A debate followed regarding whether to continue to hold 16% of assets in Fixed Income.

**R.B. 19-135** MOTION by Wilson, supported by Fisher, to consolidate Tortoise allocation into Loomis Sayles allocation as recommended by Investment Consultant. MOTION CARRIED UNANIMOUSLY

Multisector Fixed Income Manager Analysis was presented and discussed. Adding a multisector manager would complement the Loomis allocation.

**R.B. 19-136** MOTION by Garth, supported by Lowenberg, to invite Apollo Global Management and Oaktree Capital Management to present to the Board in January 2020. MOTION CARRIED UNANIMOUSLY

The Board discussed the 2020 manager meeting format and whether they wanted to maintain the informal group discussions or meet individually with portfolio managers. Investment Consultant recommended individual meetings using a consistent review structure for all managers.

**R.B. 19-137** MOTION by Lowenberg, supported by Harvey, to change the March 2020 meeting from Tuesday, March 10 to Wednesday, March 11. MOTION CARRIED UNANIMOUSLY

**R.B. 19-138** MOTION by Wilson, supported by Garth, to approve payment of invoice from Chase for credit charges for the period 11/03/19 – 12/02/19 in the amount of \$287.87. MOTION CARRIED UNANIMOUSLY

There being no further business to come before the Board, the meeting was adjourned at 1:55 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on January 21, 2020