

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

July 14, 2020

The Board convened via video conference at 11:30 a.m. with President Fisher presiding. The Meeting was started at 11:36 a.m.

PRESENT: John Fisher, Audrey Harvey, Brent Wilson, Duane Garth, Irv Lowenberg (late arrival)

ABSENT:

ALSO

PRESENT: Michael VanOverbeke, Legal Counsel/VMT; Brian Green, Investment Consultants/AndCo; Megan Battersby, Retirement Program Director/SFPRS; Lauren Albanese/Fin News

R.B. 20-064 **MOTION** by Fisher, supported by Harvey, to approve Minutes of the Regular Meeting of Southfield Fire & Police Retirement System Board on June 9, 2020. **MOTION CARRIED UNANIMOUSLY**

R.B. 20-065 **MOTION** by Fisher, supported by Garth, to acknowledge receipt of Cash & Asset Statements as of May 31, 2020 in the amount of \$177,704,382.06. **MOTION CARRIED UNANIMOUSLY**

R.B. 20-066 **MOTION** by Fisher, supported by Wilson, to approve payment of invoice as follows: Invoice from AndCo for investment consulting and performance evaluation services for the period April 1, 2020 – June 30, 2020 in the amount of \$25,500.00; Invoice from Chase Ink for credit card charges for the period 06/03/20 – 07/02/20 in the amount of \$1,442.04. **MOTION CARRIED UNANIMOUSLY**

R.B. 20-067 **MOTION** by Garth, supported by Wilson, to acknowledge receipt of Informational Items including YTD 2019/2020 Budget; FOIA Requests Memorandum; Coronavirus Aid, Relief, and Economic Security Act Memorandum; MAPERS Fall Conference Information; GRS 2020 Actuarial Fee Letter. **MOTION CARRIED UNANIMOUSLY**

R.B. 20-068 **MOTION** by Fisher, supported by Wilson, to acknowledge receipt of Retirement Application from B. Bassett effective June 13, 2020. **MOTION CARRIED UNANIMOUSLY**

R.B. 20-069 **MOTION** by Fisher, supported by Wilson, to acknowledge receipt of and approve DROP Distribution Elections from J. Medici, B. Bassett, and R. Taylor. **MOTION CARRIED UNANIMOUSLY**

R.B. 20-070 **MOTION** by Fisher, supported by Wilson, to acknowledge receipt of and approve Annuity Withdrawal Distribution Election from B. Bassett. **MOTION CARRIED UNANIMOUSLY**

Legal Counsel had no formal report but did indicate that the memos from his office under Informational Items were self-explanatory.

Annual budget for the fiscal year July 1, 2020 to June 30, 2021 was discussed.

R.B. 20-071 MOTION by Harvey, supported by Wilson, to approve annual budget for the fiscal year July 1, 2020 to June 30, 2021 in the amount of \$359,900. MOTION CARRIED UNANIMOUSLY

Reconciliation of Retirement Program Director's salary as performed by the City was discussed. Fiscal Services provided confirmation that there were no arrearages due and that the current monthly payment of \$10,000 was sufficient to cover all pay elements for the coming fiscal year.

Investment Consultant discussed market update as of June 30, 2020 and performance in the first week of July. Overall, it was another positive month. Nantucket redemption will be received this week and will be used for cash flow needs. The KStone distribution is anticipated in late August and will be invested in the opportunistic segment.

Irv Lowenberg entered the meeting at 12:07 p.m.

Investment Consultant provided an educational overview of the distressed debt marketplace. Consultant discussed AndCo's due diligence process for reviewing distressed debt managers and highlighted two candidates for consideration.

R.B. 20-072 MOTION by Lowenberg, supported by Fisher, to commit to invest in distressed debt fund and invite Marathon Asset Management, L.P. to present to the Board in August. MOTION CARRIED UNANIMOUSLY

Investment Consultant provided an overview of the current large cap US equity exposure, outlining current exposure for style and market capitalization. He recommended rebalancing the current allocation of S&P 500 Low Vol and S&P 500 30/70 Equal Weight into a 50/50 split of S&P 500 Growth and S&P 500 Value. Discussion was held around fees associated with Northern Trust Asset management, Vanguard and LS Investment Advisors. Discussion was also held around the impact securities lending income would have on the differing portfolios and resulting impact on fees.

R.B. 20-073 MOTION by Lowenberg, supported by Fisher, to transition current allocations to S&P 500 Low Vol and S&P 500 30/70 Equal Weight to equal split between S&P 500 Growth and S&P 500 Value with LS Investment Advisors. MOTION CARRIED UNANIMOUSLY

There being no further business to come before the Board, the meeting was adjourned at 1:00 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on August 11, 2020