

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

**October 13, 2020**

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The Board convened via video conference at 11:30 a.m. The Meeting was started at 11:39 a.m. by President Fisher.

**PRESENT:** John Fisher, Brent Wilson, Audrey Harvey, Irv Lowenberg

**ABSENT:** Duane Garth

**ALSO**

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

Legal Counsel provided opening remarks about the Open Meetings Act. The Governor had issued and extended an Executive Order that allowed for public meetings to be conducted virtually. The Michigan Supreme Court just ruled that the Governor had exceeded her legal authority so there is currently uncertainty surrounding whether virtual meetings are still allowed. Legal Counsel stated that it has long been the opinion of his office that Retirement Boards have been able to conduct virtual meetings in compliance with the Open Meetings Act if all requirements for a public meeting are met. The Governor's Executive Order simply provided clarification.

**R.B. 20-096** **MOTION** by Wilson, supported by Harvey, to approve Minutes of the Regular Meeting of Southfield Fire & Police Retirement System Board on September 8, 2020. **MOTION CARRIED UNANIMOUSLY**

**R.B. 20-097** **MOTION** by Lowenberg, supported by Harvey, to acknowledge receipt of Cash & Asset Statements as of August 31, 2020 in the amount of \$184,072,125.57. **MOTION CARRIED UNANIMOUSLY**

**R.B. 20-098** **MOTION** by Harvey, supported by Wilson, to approve payment of invoice as follows: Invoice from VanOverbeke, Michaud & Timmony for legal services rendered for the period April 1, 2020 through June 30, 2020 in the amount of \$2,161.60; Invoice from AndCo for investment consulting services for the period July 1, 2020 through September 30, 2020 in the amount of \$25,500.00; Invoice from NCPERS for membership renewal through 12/31/2021 in the amount of \$260.00. **MOTION CARRIED UNANIMOUSLY**

**R.B. 20-099** **MOTION** by Harvey, supported by Lowenberg, to acknowledge receipt of Informational Items including YTD 2020/2021 Budget and Memo Invoice from Northern Trust. **MOTION CARRIED UNANIMOUSLY**

**R.B. 20-100** MOTION by Wilson, supported by Fisher, to acknowledge receipt and approval of Retirement Application from N. Loussia and to acknowledge receipt and approval of Retirement Application from P. Kinal upon confirmation from City Human Resources Department of credited service earned by P. Kinal. MOTION CARRIED UNANIMOUSLY

**R.B. 20-101** MOTION by Fisher, supported by Wilson, to acknowledge receipt and approval of DROP Distribution Elections from J. Fitzgerald, N. Loussia, G. Seidel. MOTION CARRIED UNANIMOUSLY

**R.B. 20-102** MOTION by Fisher, supported by Wilson, to acknowledge receipt and approval of Annuity Withdrawal Distribution Elections from P. Kinal, N. Loussia, G. Seidel. MOTION CARRIED UNANIMOUSLY

Legal Counsel reviewed the Marathon compliance letter prepared by his office which renders an opinion regarding the legal qualification of the Retirement System's investment in the Marathon Fund under the provisions of P.A. 314. The investment itself qualifies and should be reviewed by the Investment Consultant for continuing compliance on an ongoing basis.

**R.B. 20-103** MOTION by Lowenberg, supported by Harvey, to acknowledge receipt of Legal Opinion dated September 21, 2020 regarding Marathon Distressed Credit Fund, L.P. Compliance with Public Act 314 of 1965, as amended. MOTION CARRIED UNANIMOUSLY

Review of custodial bank, The Northern Trust Company, which occurs every five years or more often if necessary, was addressed. Retirement Administrator and Investment Consultant stated that they are both very pleased with services provided by Northern Trust. Investment Consultant and Legal Counsel stated that a neighboring community recently issued an RFI and perhaps the information could be shared. Audrey Harvey volunteered to coordinate with Investment Consultant the effort of summarizing information on different custodians to ensure that the Retirement System is receiving the best value for the cost.

Investment Consultant presented Market Update as of September 30, 2020. Some gains were given back during the month but it was another good quarter with positive returns across the board. The swing in sector returns from 2019 to 2020 was discussed.

Investment Consultant provided an update on KStone. In May they announced an approximate 50% return of capital which was received in August. In late September, they announced additional returns of capital with nearly 90% of the entire fund to be returned by 2021. 10% will be held back until the fund audit is completed.

Investment Consultant presented Real Estate Portfolio Review and Commitment Pacing Analysis. He discussed the four primary property types as well as specialty and niche property types. He discussed defining the real estate benchmark and the current positions in the portfolio by geography and property type. Based on the commitment pacing model's estimate, the Consultant recommends considering a commitment of \$2 mill to non-core real estate in late 2020 or early 2021 with emphasis on East, West and South regions and focus on office and industrial or specialty/niche property types.

**R.B. 20-104** MOTION by Wilson, supported by Lowenberg, to receive and file Investment Consultant Report. MOTION CARRIED UNANIMOUSLY

There being no further business to come before the Board, the meeting was adjourned at 12:37 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on November 10, 2020