

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

January 12, 2021

The Board convened via video conference at 11:30 a.m. The Meeting was started at 11:35 a.m. by President Fisher.

PRESENT: John Fisher/Oscoda County, MI; Brent Wilson/Oakland County, MI; Duane Garth/Oakland County, MI; Irv Lowenberg/Oakland County, MI

ABSENT: Audrey Harvey

ALSO

PRESENT: Michael VanOverbeke, Legal Counsel/VMT; Brian Green, Investment Consultants/AndCo; Megan Battersby, Retirement Program Director/SFPRS; Mike Lucci and Jason Jarjosa/Bloomfield Capital

R.B. 21-001 **MOTION** by Wilson, supported by Garth, to approve Minutes of the Regular Meeting of Southfield Fire & Police Retirement System Board on December 8, 2020. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-002 **MOTION** by Wilson, supported by Garth, to acknowledge receipt of Cash & Asset Statements as of November 30, 2020 in the amount of \$198,375,368.56. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-003 **MOTION** by Wilson, supported by Lowenberg, to approve payment of invoices as follows: Invoice from QMA for asset management services for the period Oct 1, 2020 – Nov. 25, 2020 (termination) in the amount of \$12,160.05; Invoice from AndCo for Consulting Services and Performance Evaluation for the period October 1, 2020 through December 31, 2020 in the amount of \$25,500.00. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-004 **MOTION** by Wilson, supported by Lowenberg, to acknowledge receipt of Informational Items as follows: YTD 2020/2021 Budget; Memo Re: Michigan Public Act 254 of 2020 Open Meetings Act Amendments. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-005 **MOTION** by Wilson, supported by Fisher, to acknowledge receipt and approval of DROP Applications from C. Bauman, P. Charette, J. Jagielski. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-006 **MOTION** by Wilson, supported by Fisher, to acknowledge receipt and approval of Retirement Applications from M. Duff, M. Stubner. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-007 MOTION by Wilson, supported by Fisher, to acknowledge receipt and approval of DROP Distribution Elections from M. Duff, P. Meyer, P. Bourlier, R. Downing. MOTION CARRIED UNANIMOUSLY

Legal Counsel indicated that he did not have a formal report for the Board but had several items to discuss. First, he noted that the Open Meetings Act Memo from his office in Informational Items extends exceptions until March 31, 2021.

Second, he discussed the December 2020 FOIA response to James Meadows, HR Director. A listing of retiree names and benefit amounts was requested for the purpose of determining retiree health care hardship eligibility. Legal Counsel provided verbiage to be included that noted that the information provided was confidential and to be used for the purpose as requested. Mr. Meadows responded that he did not believe the information could be held confidential as requested. The Board directed Legal Counsel to follow-up with Mr. Meadows concerning his response regarding (lack of) confidentiality of information.

Third, PBGC has stopped publishing a monthly interest rate and Legal Counsel wanted to ensure that this would have no impact on the Retirement System. It was verified that there was no known impact.

Fourth, there was discussion regarding DROP accumulation in relation to election of benefit form. Legal Counsel explained that a member can make an election of benefit form at time of DROP as well as at time of retirement. The election at DROP determines the amount which accumulates monthly in the DROP account. If the election changes at retirement, it should not impact the (prior) DROP accumulation. A retiree has been identified whose DROP balance originally accumulated based on a Regular pension form but was changed when he elected an Option I pension form at retirement. Legal Counsel wanted authorization from the Board, which was granted, before proceeding to work with the Retirement Program Director to correct the error.

Fifth, Wolf Popper, a security litigation firm that works for the Retirement System, is investigating the acquisition of Pluralsight, Inc., a technology workforce development company. They are asking for authorization to make a record request to assess whether filing of a derivative action is necessary. Legal Counsel feels it is an appropriate action to authorize.

R.B. 21-008 MOTION by Fisher, supported by Wilson, to acknowledge receipt of request from Wolf Popper to inspect Pluralsight's books and records and direct Legal Counsel to authorize Wolf Popper to proceed to take appropriate action as deemed necessary. MOTION CARRIED UNANIMOUSLY

As part of the five-year rotating review of consultants and advisors, Trustee Audrey Harvey provided an email to the Board which shared her review of Custodial Bank, Northern Trust. Based on servicing and reporting, cost, and security practices, her recommendation was to retain Northern Trust. A review of all associated costs compared to peers found Northern Trust to be the best provider when considering all fees and income sources and level of services provided.

R.B. 21-009 MOTION by Fisher, supported by Garth, to accept the recommendation of Audrey Harvey to retain Northern Trust as Custodial Bank. MOTION CARRIED UNANIMOUSLY

R.B. 21-010 MOTION by Garth, supported by Wilson, to approve the 2021 Administrative Calendar as presented. MOTION CARRIED UNANIMOUSLY

Mike Lucci and Jason Jarjosa from Bloomfield Capital presented an annual update to the Board which included a firm and Fund V overview. Investment sectors and geographical diversification as well as an overview of holdings and the impact of COVID on the fund were discussed.

Investment Consultant presented a review of investment and manager allocation. He indicated that liquidity needs should be met through at least April and that he will continue to monitor should anything change. Market Update as of December 31, 2020 showed significant recovery in small cap stocks with great quarterly and YTD returns overall.

A calendar of proposed manager reviews for 2021 was discussed. PRISA will be scheduled for the February meeting but Investment Consultant will revise the proposed calendar for discussion again at the February meeting. Local managers will be scheduled later in the year in the hope that in-person meetings will resume and COVID restrictions will ease.

There being no further business to come before the Board, the meeting was adjourned at 1:18 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on February 9, 2021