

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

April 13, 2021

The Board convened via video conference at 11:30 a.m. The Meeting was started at 11:31 a.m. by President Fisher.

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

ABSENT:

ALSO

PRESENT: Michael VanOverbeke, Legal Counsel/VMT; Brian Green, Investment Consultant/AndCo; Megan Battersby, Retirement Program Director/SFPRS; Jeff Tebeau/GRS; Kevin Yousif/YCM

R.B. 21-034 **MOTION** by Harvey, supported by Wilson, to approve Minutes of the Regular Meeting of Southfield Fire & Police Retirement System Board on March 9, 2021. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-035 **MOTION** by Wilson, supported by Harvey, to acknowledge receipt of Cash & Asset Statements as of February 28, 2021 in the amount of \$206,630,581.98. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-036 **MOTION** by Harvey, supported by Wilson, to approve payment of invoices as follows: Invoice from GRS for Five-year Experience Study for the period July 1, 2015 through June 30, 2020 in the amount of \$12,000.00; Invoice from Chase for credit purchases for the period 02/03/21 to 04/02/21 in the amount of \$200.73. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-037 **MOTION** by Harvey, supported by Wilson, to acknowledge receipt of Informational Items as follows: YTD 2020/2021 Budget, Memo invoice from Northern Trust, Public Meetings – COVID 19 Memorandum. **MOTION CARRIED UNANIMOUSLY**

R.B. 21-038 **MOTION** by Wilson, supported by Fisher, to acknowledge receipt and approval of Annuity Withdrawal Distribution Elections from C. Westerlund and K. Skierski. **MOTION CARRIED UNANIMOUSLY**

Legal Counsel indicated that the MAPERS Executive Board met recently and is hoping to be able to move forward with the Fall Conference. It is also still trying to get open meetings act amendments passed to allow for the continuation of virtual meetings without limitations as the

pandemic eases. Irv Lowenberg indicated that the City of Southfield has declared a local state of emergency which allows for the continuation of virtual meetings in Southfield for 90 days.

R.B. 21-039 MOTION by Garth, supported by Wilson, to receive and file Legal Report.
MOTION CARRIED UNANIMOUSLY

Jeff Tebeau from GRS was present to review the 5-Year Experience Study for the period July 1, 2015 through June 30, 2020. He discussed the primary assumptions that were analyzed (retirement rates, turnover rates, disability rates, pre- and post-retirement mortality rates, pay increases due to merit and seniority, price inflation, wage inflation, and investment return) and the general recommendation for each item. Effects of the recommended changes in actuarial assumptions on the Retirement System contribution and funded percent were presented. Discussion ensued and included input from Legal Counsel and Investment Consultant.

R.B. 21-040 MOTION by Harvey, supported by Wilson, to approve and adopt the recommendation of GRS to change proposed demographic assumptions as presented. MOTION CARRIED UNANIMOUSLY

R.B. 21-041 MOTION by Wilson, supported by Harvey, to approve and adopt the recommendation of GRS as presented as Alternate 2 in the Experience Study Report which includes all proposed demographic assumption changes as previously adopted and includes a change in the assumed investment return rate to 6.75% and a change in the assumed wage inflation rate to 2.75%. MOTION CARRIED, LOWENBERG OPPOSED

AndCo historic return comparison was included as backup information related to the Experience Study and no further discussion was necessary.

Kevin Yousif from YCM provided an overview of firm, staffing, the three investment strategies currently being managed for the Retirement System, portfolio returns, fees, and an economic perspective and forecast. Presenter provided answers to questions posed by Trustees and Investment Consultant.

Review of Statement of Investment Policies, Procedures and Objectives was tables until the May meeting.

Investment Consultant mentioned the difficulties being encountered with regard to foreign tax reclamation and required filings through Northern Trust. He and Legal Counsel have determined that the tax implication to the Retirement System is negligible and indicated that he will be talking with 1607 to determine whether a co-mingled fund may be a more cost-effective consideration.

Investment Consultant also informed the Board that AndCo had completed its due diligence review of YCM and completely support the new investment manager.

There being no further business to come before the Board, the meeting was adjourned at 2:12 p.m.

Prepared by Megan Battersby, Retirement Program Director

Approved by Board Motion on May 11, 2021