

**SOUTHFIELD RETIREE HEALTH CARE BENEFITS PLAN AND TRUST  
REGULAR MEETING – TUESDAY – MAY 11, 2021  
VIA TELECONFERENCE – 3:30 p.m.**

**MINUTES**

Board Members Present: John Fisher, Chair, Oscoda County, MI; Karen Elly, Oakland County, MI; Duane Garth, Oakland County, MI; Audrey Harvey, Oakland County, MI; Irv Lowenberg, Oakland County, MI (late arrival); Julius Maisano, Wayne County, MI; Ron Miller, Oakland County, MI; Donna Sanders, Oakland County, MI; Brent Wilson, Oakland County, MI

Board Members Absent: L. Susan Mannisto, Fred Zorn

Others Present: Megan Battersby, Administrator/RHC; Michael VanOverbeke, Legal Counsel/VMT; Eric Burger and Tim Ely and William Messner, Investment Consultants/Graystone Consulting; Steve Faliski and Geoff Langdon and Matt Richter/Alidade Capital

The meeting was called to order by John Fisher at 3:37 p.m.

**APPROVAL OF AGENDA**

**MOTION #RHC-21-007**

Motion by Maisano, supported by Sanders, to approve Agenda, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, May 11, 2021. Motion Carried Unanimously

**APPROVAL OF MINUTES**

1. March 9, 2021 Regular Meeting Minutes

**MOTION #RHC-21-008**

Motion by Maisano, supported by Miller, to approve Meeting Minutes, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, March 9, 2021. Motion Carried Unanimously

**CONSENT AGENDA**

1. Informational Items
  - a. FOIA Response Dated March 12, 2021
  - b. Comerica Invoices
  - c. Clarkston Capital Invoice
  - d. Ancora Invoice
  - e. Hamlin Capital Management Invoice

**MOTION #RHC-21-009**

Motion by Maisano, supported by Sanders, to acknowledge and receive informational items as presented. Motion Carried Unanimously

2. Refund of Contributions
  - a. R. Phipps

**MOTION #RHC-21-010**

Motion by Maisano, supported by Wilson, to approve refund of contributions to R. Phipps. Motion Carried Unanimously

3. Approval of Bills and Expenses
  - a. Request for reimbursement from City of Southfield for fiduciary liability insurance premiums in the amounts of \$7,909.00 for fiscal year 2019-2020 and \$8,671.60 for fiscal year 2020-2021.

**MOTION #RHC-21-011**

Motion by Mannisto, supported by Wilson, to approve payment of bills and expenses as presented. Motion Carried Unanimously

Irv Lowenberg entered the meeting.

**INVESTMENT CONSULTANT REPORT**

1. Alidade Update
2. Executive Overview, 1st Quarter 2021
3. Custody Analysis
4. Other matters deemed pertinent

Steve Faliski, Geoff Langdon, and Matt Richter from Alidade Capital were present to provide a performance review of Fund IV and an investment proposal for Fund V. Their presentation included performance results, a review of the organizational structure, Fund V offering highlights and potential, investment strategy and objectives. Presenter provided answers to questions posed by Trustees and Investment Consultants.

Investment Consultants presented Executive Overview, 1<sup>st</sup> Quarter 2021 to the Board. Market overview, performance updates, and summary and next steps were reviewed. Total fund return was 5.31% for the quarter. Asset allocation breakdown was discussed and individual manager performances were reviewed. An asset allocation study was recommended. Asset allocation and rebalancing was presented. Illiquids funding protocol for the Alternative Investments was suggested to be from Cash and then Vanguard. Investment Consultant indicated that Graystone could not recommend Alidade Fund V now because their due diligence will not be completed until at least the third quarter of 2021, but they would not be opposed to a commitment to the fund of up to \$3 million.

**MOTION #RHC-21-012**

Motion by Harvey, supported by Wilson, to receive and file City of Southfield Retiree Healthcare Trust Executive Overview dated May 11, 2021 as presented. Motion Carried Unanimously

**MOTION #RHC-21-013**

Motion by Sanders, supported by Harvey, to approve recommendation of Investment Consultant to rebalance the portfolio by transferring \$1,700,000 from Cash Fund, \$1,000,000 from Ancora Small/Midcap Fund, \$1,000,000 from Clarkston Capital Small/Midcap Fund, and \$1,000,000 from Europacific Growth Fund as follows: \$200,000 to Kopernik Global All Cap Fund, \$700,000 to Vanguard Emerging Markets ETF Fund, \$1,500,000 to Loomis Sayles Investment Grade Bond Fund, \$1,000,000 to JPM Strategic Income Fund, \$600,000 to Abbey Capital ACL Fund, and \$700,000 to Graham Absolute Return Fund. Motion Carried Unanimously

**MOTION #RHC-21-014**

Motion by Maisano, supported by Wilson, to allocate \$3,000,000 to Alidade Capital Fund V. Motion Carried Unanimously

**MOTION #RHC-21-015**

Motion by Wilson, supported by Maisano, to approve recommendation of Investment Consultant for illiquids funding protocol for the Alternative Investments from Cash Account and then Vanguard Total Stock Market ETF Fund. Motion Carried Unanimously

Custody Analysis discussion was tabled until the September meeting. Investment Consultant indicated that while the goal is to save fees, the challenge is to maintain fiduciary responsibility and coverage.

**LEGAL COUNSEL REPORT**

1. Matters deemed pertinent

Legal Counsel did not have any formal report for the Board.

**ADMINISTRATOR REPORT**

1. Election results
2. Other matters deemed pertinent

Administrator indicated for the record that Karen Elly is the newly elected Board member, the elected active employee representative who will serve the remaining term of Ed Gardella who retired in April.

**NEW BUSINESS**

1. None

**OLD BUSINESS**

1. None

**PUBLIC COMMENT**

No comments were made.

There being no further business to come before the Board, the meeting was adjourned at 5:09 p.m.

Prepared by Megan Battersby, Administrator

Approved by Board Motion on September 14, 2021