

**SOUTHFIELD RETIREE HEALTH CARE BENEFITS PLAN AND TRUST
REGULAR MEETING – TUESDAY – SEPTEMBER 14, 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; Julius Maisano, Wayne County, MI; L. Susan Mannisto, Oakland County, MI; Ron Miller, Oakland County, MI; Donna Sanders, Oakland County, MI; Brent Wilson, Oakland County, MI

Board Members Absent: Fred Zorn

Others Present: Megan Battersby, Administrator/RHC; Michael VanOverbeke, Legal Counsel/VMT; Eric Burger and Amy Cole and William Messner, Investment Consultants/Graystone Consulting

The meeting was called to order by John Fisher at 3:32 p.m.

APPROVAL OF AGENDA

MOTION #RHC-21-016

Motion by Sanders, supported by Mannisto, to approve Agenda, Southfield Retiree Health Care Benefits Plan and Trust, Regular Meeting, Tuesday, September 14, 2021. Motion Carried Unanimously

APPROVAL OF MINUTES

1. May 11, 2021 Regular Meeting Minutes

MOTION #RHC-21-017

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

CONSENT AGENDA

1. Informational Items
 - a. Morgan Stanley invoice (Q1)
 - b. Morgan Stanley invoice (Q2)
 - c. Clarkston Capital invoice
 - d. Ancora invoice
 - e. Hamlin Capital invoice
 - f. Comerica credit card statement

- g. Comerica Q2 2021 statements
- h. Ancora letter

MOTION #RHC-21-018

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

- 2. Refund of Contributions
 - a. E. Gardella
 - b. R. White

MOTION #RHC-21-019

Motion by Lowenberg, supported by Maisano, to approve refund of contributions to E. Gardella and R. White. Motion Carried Unanimously

- 3. Approval of Bills and Expenses
 - a. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 01/01/2021 thru 03/31/2021 in the amount of \$455.40
 - b. Fiduciary Liability Insurance premium for the policy year 7/1/21-22 in the amount of \$10,159.50
 - c. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period 04/01/2021 thru 06/30/2021 in the amount of \$2,653.20

MOTION #RHC-21-020

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

INVESTMENT CONSULTANT REPORT

- 1. Executive Overview, 2nd Quarter 2021
- 2. Custody Analysis
- 3. Corbin Consent
- 4. Other matters deemed pertinent

Investment Consultants presented Executive Overview, 2nd Quarter 2021 to the Board. Quarterly market review, performance updates, asset allocation study, portfolio positioning update, asset allocation overview, and next steps were reviewed. Total fund return was 5.67% for the quarter. Asset allocation breakdown was discussed and individual manager performances were reviewed. Asset allocation and rebalancing was presented. Illiquids funding protocol continues to be from Cash and then Vanguard.

MOTION #RHC-21-021

Motion by Mannisto, supported by Maisano, to approve recommendation of Investment Consultant to rebalance the portfolio by reallocating \$2,900,000 from Cash Fund as follows: \$500,000 to Vanguard Total Stock Market ETF Fund, \$800,000 to Clarkston

Capital Small/Midcap Fund, \$400,000 to Vanguard Emerging Markets ETF Fund, \$800,000 to Loomis Sayles Investment Grade Bond Fund, and \$400,000 to JPM Strategic Income Fund and to move entire fund balance in Europacific Growth A (AEPGX) 0.82% to EuroPacific Growth R6 (RERGX) 0.46%. Motion Carried Unanimously

Custody Analysis will be removed from future agendas and will be addressed when the time is right as fiduciary coverage is still a concern. Corbin consent to change of control letter was discussed.

MOTION #RHC-21-022

Motion by Harvey, supported by Mannisto, to direct that Investor Consent page of Consent to Change of Control of Corbin Capital Partners, L.P. letter dated July 14, 2021 be signed and returned. Motion Carried Unanimously

LEGAL COUNSEL REPORT

1. Alidade Capital Fund V, LP Compliance Letter
2. Authorized Signers Resolution
3. Ancora Consent to Assignment
4. Other matters deemed pertinent

Legal Counsel indicated that both Legal Counsel and Investment Consultant approve of Ancora consent to assignment. He also summarized the legal opinion and compliance with Public Act 314 for the new investment in Alidade Capital Fund V.

MOTION #RHC-21-023

Motion by Mannisto, supported by Sanders, to direct that Consent to Assignment of Investment Advisory Contracts page of Ancora letter dated September 1, 2021 be signed and returned. Motion Carried Unanimously

MOTION #RHC-21-024

Motion by Mannisto, supported by Sanders, to receive and file letter from Legal Counsel dated May 21, 2021 Re: Alidade Capital Fund V, LP Compliance with Public Act 314 of 1965, as amended. Motion Carried Unanimously

Legal Counsel discussed the need for an authorized signers resolution.

MOTION #RHC-21-025

Motion by Mannisto, supported by Miller, to adopt Authorized Signers Resolution as follows:

**CITY OF SOUTHFIELD RETIREE HEALTH CARE BENEFITS PLAN AND TRUST
RESOLUTION**

Adopted: September 14, 2021

Re: Authorized Signers

WHEREAS, the Board of Trustees of the City of Southfield Retiree Health Care Benefits Plan and Trust (the “Board”) is vested with the general administration, management and responsibility for the proper operation of the Trust and for making effective and construing the provisions of the Trust, and

WHEREAS, in carrying out its responsibilities the Board periodically takes action to enter into various investment management agreements, professional service contracts, and other legally binding documents requiring the signature or signatures of individuals duly authorized by the Board to execute such documentation on behalf of the Board, and

WHEREAS, prior to executing such agreements or other legal documentation, the Board deems it prudent to have its legal counsel review and approve all such agreements and other legally binding documents prior to execution on behalf of the Board, therefore be it

RESOLVED, that acting upon an appropriate resolution or motion of the Board, the following individuals shall be authorized to sign all appropriate documentation to (i) give direction to the Trust’s investment managers, investment consultant, and custodial bank; or (ii) enter into service provider contracts, investment management agreements, or other legally binding agreements as further detailed below:

A. Transfer of Funds or Trading Instructions

From time to time the Trust is required to transfer funds within the various Trust accounts for purposes of: rebalancing the accounts in accordance with the Trust’s asset allocation requirements, funding of new investments, or to meet the liquidity needs of the Trust for the payment of benefits and approved administrative expenses. The Board, acting upon the recommendation of its Investment Consultant, shall from time to time adopt a “Liquidity Schedule” or a “Rebalancing Recommendation” which shall outline the required transfers. After appropriate Board action, direction regarding the approved transfer and/or liquidation of funds shall require the signature of either the Administrator or an individual Trustee, in the Administrator’s absence.

B. Disbursement of Funds

1. Payment of Invoices, Expenses, or Disbursements

All invoices, expenses, and other disbursements from the Trust, that have not been pre-authorized for payment by the Trust’s custodial bank, shall require the prior approval of the Board and shall require the signature of either the Administrator or an individual Trustee in his or her absence.

2. Payment of Capital Calls

The Board hereby approves the payment of capital calls by the signature of either the Administrator or an individual Trustee in the Administrator’s absence.

C. Direction to Investment Managers, Investment Consultant, or Custodial Bank

The Board may take action to direct the Trust’s Investment Manager(s), Investment Consultant, or Custodial Bank to perform or refrain from performing certain actions. Such direction requires prior Board approval and the signature of either the Administrator or an individual Trustee in his or her absence. The Administrator, upon request, is authorized to provide wire transfer instructions for deposits into the Trust’s accounts.

D. Execution of Legal Documentation

In the event the Trust is required to enter into legally binding agreements with a third party provider or the Board is requested to execute other legal documentation, upon prior Board approval and review and approval by the Board’s legal counsel, the signature of at least one authorized signer of the Trust will be required.

and be it further

RESOLVED, that the Trust’s authorized signers shall be the individual Trustees serving on the Board and the Administrator for all purposes stated herein, and further

RESOLVED, that acting upon an appropriate resolution or motion of the Board, the Administrator shall be authorized to disburse funds from the Trust, to sign pertinent documentation, and to give direction to the Trust’s investment managers, investment consultant, and custodial bank, except as otherwise specified herein, and further

RESOLVED, that the authorized signers of the Trust shall sign this Resolution as certified samples of each authorized individual’s signature, and further

RESOLVED, that upon its adoption and execution, copies of this Resolution shall be forwarded to the Board’s third party service providers and such other parties as shall be requested or become necessary in the conduct of Trust business.

John Fisher, Chairperson

Fred Zorn, Trustee

Irv Lowenberg, Trustee

Julius Maisano, Trustee

Megan Battersby, Administrator

Motion Carried Unanimously

ADMINISTRATOR REPORT

1. Actuarial Fee Letter
2. Other matters deemed pertinent

Board reviewed actuarial fee letter describing the scope and fees for the year beginning July 1, 2021.

MOTION #RHC-21-026

Motion by Maisano, supported by Wilson, to receive and file letter from GRS dated June 3, 2021 Re: Proposed Services and Actuarial Fees for the City of Southfield Retiree Health Care Benefits Plan and Trust. Motion Carried Unanimously

NEW BUSINESS

1. MAPERS Fall Conference Delegates

MOTION #RHC-21-027

Motion by Fisher, supported by Mannisto, to designate Brent Wilson and Julius Maisano as delegates for the 2021 MAPERS Fall Conference. Motion Carried Unanimously

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 4:42 p.m.

Prepared by Megan Battersby, Administrator

Approved by Board Motion on December 7, 2021