

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – DECEMBER 10, 2019
P&R Room 112 – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair; Mark Jubas; Ed Gardella; David Hersh; Shirley Lightsey; Ron Miller; Donna Sanders

Board Members Absent: L. Susan Mannisto

Others Present: Megan Battersby, Retirement Administrator/SERS; Chris Kuhn, Investment Consultant/AndCo; Michael VanOverbeke, Legal Counsel/VMT

The meeting was called to order at 5:48 p.m. by Julius Maisano, Chair

APPROVAL OF AGENDA

MOTION #S-19-112

Motion by Jubas, supported by Gardella, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, December 10, 2019 with the removal of item III.C.1. Motion Carried Unanimously

APPROVAL OF MINUTES

1. November 12, 2019 Regular Meeting Minutes

MOTION #S-19-113

Motion by Lightsey, supported by Hersh, to approve Meeting Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, November 12, 2019. Motion Carried Unanimously

CONSENT AGENDA

- A. Informational Items
 1. Comerica memo invoices for Q3, 2019
- B. Reports, Financial Accounting and Cash Account
 1. None
- C. Applications for Retirement
 1. A. Boscaglia, 01/04/19 (**WITHDRAWN**)
 2. R. Carter, 01/25/20
 3. P. Scharmberg, 01/25/20

D. Authorization of Benefits

1. J. Wenderlich, 12/09/19
2. D. Wawrzyniak, 11/02/19

E. Refund of Contributions

1. S. Hammond

F. Approval of Bills and Expenses

1. Invoice from M. Battersby for Retirement Administration for the period November 2019 in the amount of \$2,500.00
2. Invoice from Comerica Bank Mastercard Business Card for credit card purchases for the period 11/06/19 – 12/04/19 in the amount of \$589.47
3. Invoice from VMT for legal services rendered for the period April 1, 2019 through June 30, 2019 in the amount of \$9,234.00

MOTION #S-19-114

Motion by Gardella, supported by Jubas, to approve Consent Agenda as presented with the withdrawal of Application for Retirement from A. Boscaglia. Motion Carried Unanimously

PUBLIC COMMENT

No comments were made.

INVESTMENT CONSULTANT REPORT

1. Market Update
2. Asset/Manager Summary
3. BTG Pactual required documents discussion
4. PCCP required documentation discussion
5. Matters deemed pertinent

Investment Consultant distributed the November capital market summary and updated market values and discussed the current market environment.

The request by BTG Pactual Timber to provide certified true copies of valid ID card/passport for individuals acting on the account was discussed. Legal Counsel indicated that it was not an uncommon request when foreign countries were involved. Board President and Secretary agreed to provide copies of their passports.

The request by PCCP for additional information regarding two Board members was discussed. It was decided to provide full legal names and answer questions posed but not to provide addresses.

MOTION #S-19-115

Motion by Hersh, supported by Sanders, to receive and file Investment Consultant Report.
Motion Carried Unanimously

LEGAL REPORT

1. RFI for Actuarial Services
2. Matters deemed pertinent

Legal Counsel indicated that the RFI for Actuarial Services has been sent out by his office with a return date of January 21, 2020. He will distribute the responses to Trustee at the January meeting.

MOTION #S-19-116

Motion by Hersh, supported by Jubas, to receive and file Legal Counsel Report. Motion Carried Unanimously

RETIREMENT ADMINISTRATOR REPORT

1. 2020 Meeting Schedule
2. Matters deemed pertinent

Retirement Administrator confirmed the meeting schedule for 2020 and the availability of Council Study for meetings. She informed the Board that a current retiree has three months of uncashed pension checks and efforts to contact her have been futile. At Comerica's urging, she will instruct them to stop payment and redeposit the funds until the retiree responds with confirmation of her wellness.

MOTION #S-19-117

Motion by Jubas, supported by Miller, to receive and file Retirement Administrator Report.
Motion Carried Unanimously

UNFINISHED BUSINESS/PENDING MATTERS

1. Invoice from City of Southfield: Reimbursement for pension administrator salary and Reimbursement for health care costs
Legal Counsel presented and reviewed a draft letter to City of Southfield Administrator indicating that there were no 401(h) assets available to reimburse the City for health care costs and that the Retirement System would pay six years of Retirement Administrator's salary under the statute of limitations for breach of contract in Michigan.

MOTION #S-19-118

Motion by Miller, supported by Gardella, to approve correspondence to City Administrator regarding invoice for reimbursement for health care costs and reimbursement for pension administrator (Siskind) salary and direct that Board President execute and Retirement Administrator send such letter. Motion Carried Unanimously

MOTION #S-19-119

Motion by Jubas, supported by Gardella, to authorize payment of \$197,785.25 to City of Southfield in six equal monthly installments beginning January 2020 and ending June 2020. Motion Carried Unanimously

Retirement Administrator was instructed to remove item VIII.1. from future agendas.

2. Retirement Handbook: Lead/Maisano, Timeframe/TBD
No updates/discussion.
3. Pension Calculator: Lead/Maisano, Timeframe/TBD
No updates/discussion.
4. Pension Eligibility and Calculation Demonstration: Lead/Battersby, Timeframe/TBD
No update/discussion.
5. Trust Statement Reconciliation Responsibility and Procedure: Lead/TBD, Timeframe/TBD
No update/discussion.
6. Periodic review of Plan Consultants and Advisors: Lead/TBD, Timeframe/TBD
Retirement Administrator was instructed to remove this item from future agendas since there is now a plan to review a consultant/advisor annually.

NEW BUSINESS

1. Final Actuarial Valuation as of June 30, 2019

MOTION #S-19-120

Motion by Gardella, supported by Lightsey, to receive and file City of Southfield Employee Retirement System Fifty-Fourth Actuarial Valuation Report as of June 30, 2019 with a computed employer contribution rate of 27.417% and a minimum dollar contribution of \$4,334,521 for the 2021 Fiscal Year and direct that a copy be forwarded to the Employer. Motion Carried Unanimously

TRUSTEE COMMENT/OPEN FORUM

A question of whether Retirement Administrator had received a 2018 1099 spurred discussion of her salary payment method and contractor vs. employee status. She was instructed to research the costs involved with becoming an employee of the Retirement System and utilizing a payroll service and report back to the Board in January.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:10 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on January 21, 2020