

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – AUGUST 18, 2020
Tele Conference Call – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair; Mark Jubas; Ed Gardella; David Hersh; Shirley Lightsey (late arrival); L. Susan Mannisto (late arrival); Ron Miller (late arrival); Donna Sanders

Board Members Absent:

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

The meeting was called to order by Julius Maisano, Chair, at 5:48 p.m. with a roll-call.

APPROVAL OF AGENDA

MOTION #S-20-054

Motion by Hersh, supported by Jubas, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, August 18, 2020. Motion Carried Unanimously

APPROVAL OF MINUTES

1. July 21, 2020 Regular Meeting Minutes

MOTION #S-20-055

Motion by Jubas, supported by Gardella, to approve Meeting Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, July 21, 2020. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. Comerica statements for the billing period 04/01/2020 – 06/30/2020
 - b. Remote Public Meetings – Executive Order 2020-154 Memo dated July 23, 2020
 - c. Electronic Signatures – Executive Order 2020-158 dated July 29, 2020
2. Cash Account Report
 - a. None
3. Applications for Retirement
 - a. B. Richards, 09/08/2020
 - b. M. Zakrzewski, 10/03/2020
 - c. R. Connop, 10/18/2020

4. Authorization of Benefits
 - a. A. Toubeaux, 07/04/2020
 - b. J. Brown, 07/24/2020
 - c. K. Rosen, 07/25/2020
 - d. R. Connop, 10/18/2020
 - e. Theda C. Smith Living Trust, death benefit for T. Smith
 - f. K. Milosek, death benefit for J. Wenderlich
 - g. B. Wenderlich, death benefit for J. Wenderlich
5. Refund of Contributions
 - a. None
6. Approval of Bills and Expenses
 - a. Invoice from Champlain for asset management services for the period April 1, 2020 – June 30, 2020 in the amount of \$16,296.73
 - b. Invoice from WCM for asset management services for the period 04/01/2020 to 06/30/2020 in the amount of \$16,969.79
 - c. Invoice from Great Lakes Advisors for asset management services for the period 4/1/2020 through 6/30/2020 in the amount of \$6,768.95
 - d. Invoice from Great Lakes Advisors for asset management services for the period 1/1/2020 through 3/31/2020 in the amount of \$5,335.09
 - e. Invoice from Great Lakes Advisors for asset management services for the period 10/1/2019 through 12/31/2019 in the amount of \$8,012.40
 - f. Invoice from Comerica Cardmember Services for credit card charges for the period 07/07/2020 to 08/05/2020 in the amount of \$0.00
 - g. Invoice from PIA for asset management services for the period April 1, 2020 through June 30, 2020 in the amount of \$7,413.00

MOTION #S-20-056

Motion by Hersh, supported by Gardella, to approve Consent Agenda as presented. Motion Carried Unanimously

PUBLIC COMMENT

No public comments were made.

INVESTMENT CONSULTANT REPORT

1. Market Update
2. Asset/Manager Summary
3. Investment Performance Review for the Period Ending June 30, 2020
4. Matters deemed pertinent

Shirley Lightsey, L. Susan Mannisto and Ron Miller joined the meeting at 5:55 p.m.

Investment Consultant presented the Investment Performance Report as of June 30, 2020. He reviewed the rebound in stocks and corporate bonds. He reviewed the Fund's asset allocation, quarterly reconciliation, and performance. The Fund was up 13.7% for the quarter and 0.9% for the year. He reviewed the performance of the individual managers, noting again the relatively better results from growth strategies like Champlain and WCM and weaker returns from managers with a value bias like QMA and LSV. The poor performance from Templeton was discussed as the strategy has lagged expectations since being added to the Fund. Investment Consultant recommended Templeton be used for upcoming benefit payments until the fund is liquidated in approximately two months. He reviewed the performance of the alternative managers.

Investment Consultant provided a recap of the markets in July and distributed updated market values. He recommended transferring \$1.0 mill from WAM to PIA and \$1.5 mill from WCM to PIA.

MOTION #S-20-057

Motion by Jubas, supported by Mannisto, to approve the transfer of \$1.0 mill from WAM/Comerica Large Cap Index Fund to PIA Fixed Income Fund and \$1.5 million from WCM Focus Growth International Fund to PIA Fixed Income Fund and \$500,000 from Templeton Global Bond Fund to Cash Account per recommendation of Investment Consultant. Motion Carried Unanimously

MOTION #S-20-058

Motion by Jubas, supported by Gardella, to approve providing Comerica Bank with standing instructions to utilize Templeton Global Bond Fund for all future liquidity needs until fund is exhausted. Motion Carried Unanimously

MOTION #S-20-059

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

LEGAL REPORT

1. Matters deemed pertinent

Legal Counsel had nothing to report to the Board other than to mention that the Governor continues to issue Executive Orders regarding public meetings and electronic signatures as evidenced by the two memos from his firm under Informational Items.

RETIREMENT ADMINISTRATOR REPORT

1. Monthly payment confirmations
2. Matters deemed pertinent

Last month Retirement Administrator was asked to poll MAPERS administrators regarding standard practice for providing monthly benefit confirmations. She summarized for the Board that 21 responses were received, 18 of which indicated they provide mailed confirmations while two provide no confirmations and one allows online access for retirees. None of the custodians offered email confirmations. Retirement Administrator has had a statement added to September, October and November confirmations indicating that SERS is considering discontinuance of monthly confirmation statements effective February 1, 2021, and to please contact the administrator with any comments or concerns.

Retirement Administrator asked Legal Counsel if there was anything that could be done to recoup an overpayment to a deceased retiree other than the letter that has already been sent to the estate. He indicated that his office will follow-up with a similar letter. Retirement Administrator was asked to find out the frequency of social security number death checks performed by Comerica.

Retirement Administrator informed the Board that, due to the fall conference cancelation, MAPERS will host the Annual Business Meeting virtually on Monday, September 14th at 11:00 a.m. At this meeting, they will review business and programming plans for the coming year, provide a legislative update, and provide a legal update. Two four-year MAPERS Board Member positions are also up for election this year. Both candidates will be seeking re-election but MAPERS is currently accepting nominations from any additional Plan members interested in serving on the board. Plan Administrators will be asked to submit the names of two individuals to serve as delegates for the business meeting and board member election.

MOTION #S-20-060

Motion by Jubas, supported by Mannisto, to designate Dave Hersh and Shirley Lightsey as MAPERS delegates for the Annual Business Meeting to be held September 14, 2020.
Motion Carried Unanimously

MOTION #S-20-061

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

NEW BUSINESS

1. Designation of MAPERS delegates

This item was addressed under Retirement Administrator Report.

OLD BUSINESS

1. None

PENDING MATTERS

1. Retirement Handbook: Lead/Maisano, Timeframe/TBD
No updates/discussion.

2. Pension Calculator: Lead/Maisano, Timeframe/TBD
No updates/discussion.
3. Pension Eligibility and Calculation Demonstration: Lead/Battersby, Timeframe/TBD
No update/discussion.
4. Trust Statement Reconciliation Responsibility and Procedure: Lead/TBD,
Timeframe/TBD
No update/discussion.

TRUSTEE COMMENT/OPEN FORUM

No comments were made.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:45 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on September 8, 2020