

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – OCTOBER 20, 2020
VIA TELECONFERENCE – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair; Mark Jubas; Ed Gardella; David Hersh; L. Susan Mannisto; Ron Miller

Board Members Absent: Shirley Lightsey; Donna Sanders

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-20-067

Motion by Jubas, supported by Hersh, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, October 20, 2020. Motion Carried Unanimously

APPROVAL OF MINUTES

1. September 8, 2020 Regular Meeting Minutes

MOTION #S-20-068

Motion by Hersh, supported by Mannisto, to approve Meeting Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, September 8, 2020. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. None
2. Cash Account Report
 - a. None
3. Applications for Retirement
 - a. Elizabeth Rae, 10/09/2020
 - b. Madaline Fagan, 10/17/2020
4. Authorization of Benefits
 - a. Bruce Richards, 09/08/2020
 - b. Annette Richards, 09/08/2020

- c. David Simmons, 09/09/2020
- d. Mary Zakzrewski, 10/03/2020
- e. Elizabeth Rae, 10/09/2020

5. Refund of Contributions

- a. Marilyn Troshak
- b. Kevin Frantz

6. Approval of Bills and Expenses

- a. Invoice from VanOverbeke, Michaud & Timmony for legal services rendered for the period April 1, 2020 through June 30, 2020 in the amount of \$3,898.60
- b. Invoice from AndCo for investment consulting services for the period July 1, 2020 through September 30, 2020 in the amount of \$17,500.00
- c. Invoice from NCPERS for membership renewal through 12/31/2021 in the amount of \$260.00
- d. Invoice from Walthausen & Co. for asset management services for the period July 1, 2020 – September 30, 2020 in the amount of \$17,868.26
- e. Invoice from LSV for asset management services for the period July 1 to September 30, 2020 in the amount of \$16,274.00
- f. Invoice from Champlain for asset management services for the period July 1, 2020 to September 30, 2020 in the amount of \$23,323.77

MOTION #S-20-069

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

PUBLIC COMMENT

No comments were made.

INVESTMENT CONSULTANT REPORT

- 1. Market Update
- 2. Asset/Manager Summary
- 3. U.S. Small Cap Core Equity Manager Analysis
- 4. Matters deemed pertinent

Investment Consultant provided a recap of the markets in September and distributed updated market values. He recommended transferring \$1 mill from Champlain to cash to cover upcoming benefit payments.

MOTION #S-20-070

Motion by Hersh, supported by Miller, to transfer \$1 mill from Champlain Mid Cap Account to Cash Account to cover upcoming benefit payments, per recommendation of Investment Consultant. Motion Carried Unanimously

Investment Consultant presented a Small Cap Core search. The report included Delaware, Mass Mutual, JPMorgan, Palisades, and Reinhart. He reviewed the firm structure, investment process, portfolio characteristics, historical performance, and fees for each candidate. After some debate, the Trustees selected Palisades and Reinhart for interviews during the November meeting.

MOTION #S-20-071

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

LEGAL REPORT

1. Administrator Contract
2. Matters deemed pertinent

Legal Counsel indicated that a new contract was drafted for the Retirement Administrator coincident with her becoming an employee of the Retirement System. It was sent to the Board President for review and should be executed shortly.

Legal Counsel provided remarks about a memo his office issued earlier in the day which was sent to Board Trustees regarding Michigan Public Act 228 of 2020 and Open Meetings Act Amendments. The Governor had previously issued and extended an Executive Order that allowed for public meetings to be conducted virtually. The Michigan Supreme Court ruled that the Governor had exceeded the scope of her authority and denied continuance of her Executive Orders. Legal Counsel stated that it has long been the opinion of his office that Retirement Boards have been able to conduct virtual meetings in compliance with the Open Meetings Act if all requirements for a public meeting are met but the law has been narrowed in scope with these new Open Meetings Act amendments.

MOTION #S-20-072

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

RETIREMENT ADMINISTRATOR REPORT

1. Monthly benefit confirmation statements
2. Matters deemed pertinent

Retirement Administrator reminded the Board that the message on monthly benefit confirmation statements had been changed for September and October stating that SERS is considering discontinuance of monthly confirmation statements effective February 1, 2021 and to contact Retirement Administrator with any comments or objections. Feedback was received from only six retirees; one vehemently objected, one wholly supported discontinuance as a good way to reduce costs and save paper, and four were indifferent but did not object. Retirement Administrator was instructed to change message for December and January to indicate that statements will be discontinued effective February 2021.

MOTION #S-20-073

Motion by Mannisto, supported by Jubas, to discontinue monthly payment statement to retirees effective February 1, 2021. Motion Carried Unanimously

NEW BUSINESS

1. None

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 6:53 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on November 17, 2020