

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – FEBRUARY 16, 2021
VIA TELECONFERENCE – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair, Oakland County, MI; Ed Gardella, Wayne County, MI; L. Susan Mannisto, Oakland County, MI; Ron Miller, Oakland County, MI; Donna Sanders, Oakland County, MI

Board Members Absent: David Hersh

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 5:46 p.m. with a roll-call.

APPROVAL OF AGENDA

MOTION #S-21-008

Motion by Mannisto, supported by Gardella, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, February 16, 2021. Motion Carried Unanimously

APPROVAL OF MINUTES

1. January 19, 2021 Regular Meeting Minutes

MOTION #S-21-009

Motion by Mannisto, supported by Sanders, to approve Meeting Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, January 19, 2021. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. Comerica Statements
 - b. AEW Situation
2. Cash Account Report
 - a. None
3. Applications for Retirement
 - a. D. Carter, 03/02/2021
 - b. R. Phipps, 03/31/2021

4. Authorization of Benefits
 - a. None
5. Refund of Contributions
 - a. J. Miller
6. Approval of Bills and Expenses
 - a. Invoice from Champlain for asset management services for the period October 1, 2020 to December 31, 2020 in the amount of \$18,835.70
 - b. Invoice from Reinhart Partners for asset management services for the period Quarter 4, 2020 in the amount of \$245.00
 - c. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period July 1, 2020 through September 30, 2020 in the amount of \$2,296.80
 - d. Invoice from VanOverbeke Michaud & Timmony for legal services rendered for the period October 1, 2020 through December 31, 2020 in the amount of \$5,385.60
 - e. Invoice from WCM for asset management services for the period 10/01/2020 to 12/31/2020 in the amount of \$18,509.63
 - f. Invoice from PIA for asset management services for the period October 1, 2020 through December 31, 2020 in the amount of \$9,395.00
 - g. Invoice from Great Lakes Advisors for asset management services for the period 10/1/2020 through 12/31/2020 in the amount of \$8,977.26

MOTION #S-21-010

Motion by Gardella, supported by Miller, 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. Investment Performance for Period Ending December 31, 2020
4. Matters deemed pertinent

Investment Consultant presented the Investment Performance Review for the Period Ending December 31, 2020, reviewing the letter from Mike Welker and the growth at AndCo. He reviewed the capital markets during the 4th quarter, including the strong performance from small cap stocks. He reviewed the Fund's compliance pages, asset allocation vs. targets, quarterly financial reconciliation, and performance. The Fund was up 12.52% for the quarter and up 11.24% for the year. He discussed recent personnel changes at QMA and will provide an update at the next meeting. A rebalance of \$1 mill from Champlain to PIA was recommended.

MOTION #S-21-011

Motion by Mannisto supported by Gardella, to approve transfer of \$1,000,000 from Champlain to PIA as recommended by Investment Consultant. Motion Carried Unanimously

MOTION #S-21-012

Motion by Mannisto supported by Miller, to receive and file Investment Consultant Report. Motion Carried Unanimously

LEGAL REPORT

1. Matters deemed pertinent

Legal Counsel indicated that he did not have a formal report for the Board, however, he did note that there is discussion in Lansing regarding the amendments to the Open Meetings Act that will make teleconference meetings more restrictive when COVID exceptions expire. He was also asked by Julius Maisano if there was any information regarding the possible repeal of the pension tax for former public employees. Legal Counsel responded that there is a House Bill (4002) regarding repeal of the pension tax that has been introduced and that has the Governor's support but which will require a budget shortfall fill.

RETIREMENT ADMINISTRATOR REPORT

1. Matters deemed pertinent

Retirement Administrator provided a status update to the Board on the election process underway for both an active and retired position. The deadline for submission of candidacy declaration is Friday, February 19, at 5:00 p.m. EST.

NEW BUSINESS

1. Approve Summary Annual Report

MOTION #S-21-013

Motion by Gardella, supported by Maisano, to approve Summary Annual Report as of June 30, 2020 and direct that a copy be posted on the City website, sent to City Administrator and Fiscal Services Director, and filed with Michigan Department of Treasury. Motion Carried Unanimously

OLD BUSINESS

1. None

L. Susan Mannisto asked if anyone had any information about the appointment of replacements for the open Trustee positions. Julius Maisano indicated that he has had some discussion with City Administrator and will follow-up this week.

PENDING MATTERS

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

2. Pension Calculator: Lead/Maisano, Timeframe/TBD
No update/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

Ron Miller informed his fellow SERS Trustees that the ACS Commission will be developing rules and guidelines regarding the return of retirees to City employment. The Commission has been informed by City Legal that no rules or guidelines currently exist. They suggest that rules and guidelines be developed and adopted and that it is at the discretion of the ACS Committee to do so. City Administrator has directed HR Director to develop rules and guidelines for ACS to consider and ACS wants to make sure that they receive input and comments from the SERS Board before anything is formalized. Legal Counsel reminded the Board that there are IRS guidelines by which SERS must abide and that he wrote a memo regarding such several years ago. The Board requested that he resend the referenced memo to them.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:51 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on March 16, 2021