

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

MINUTES

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

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

APPROVAL OF AGENDA

MOTION #S-21-016

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

APPROVAL OF MINUTES

1. February 16, 2021 Regular Meeting Minutes
2. March 8, 2021 Special Meeting Minutes

MOTION #S-21-017

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

MOTION #S-21-018

Motion by Mannisto, supported by Sanders, to approve Meeting Minutes, Southfield Employee Retirement System, Special Meeting, Monday, March 8, 2021. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. FOIA Response
2. Cash Account Report
 - a. None

3. Applications for Retirement
 - a. D. Flanagan-Middaugh, 04/17/2021
 - b. E. Gardella, 04/17/2021
4. Authorization of Benefits
 - a. None
5. Refund of Contributions
 - a. None
6. Approval of Bills and Expenses
 - a. None

MOTION #S-21-019

Motion by Sanders, supported by Mannisto, 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. Metropolitan Consent Request
4. Other matters deemed pertinent

Investment Consultant reviewed Market Update as of February 28, 2021. Small cap and value stocks are taking the lead over growth. Fixed Income continues to struggle. Asset/Manager Summary was reviewed. QMA has had significant changes at the portfolio management team level, although it does have a quantitative approach. He recommended to the Board that QMA be terminated and the assets reallocated as outlines in the Asset/Manager Summary.

MOTION #S-21-020

Motion by Mannisto, supported by Gardella, to approve termination of QMA and rebalancing of portfolio by transferring QMA proceeds as follows: \$2 mill to Champlain, \$2 mill to Great Lakes, \$2 mill to PIA, and the remainder to Cash Account, as recommended by Investment Consultant. Motion Carried Unanimously

Investment Consultant discussed consent request from Metropolitan and recommended that the Board approve the pending sale as Metropolitan will now be owned by a real estate firm and not a private equity firm. No reply will be deemed a consent so no further action is required.

MOTION #S-21-021

Motion by Mannisto, supported by Gardella, to approve Metropolitan Real Estate Consent Request for approval of deemed assignment to Bentall Green Oak from The Carlyle Group, as recommended by Investment Consultant. Motion Carried Unanimously

MOTION #S-21-022

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

LEGAL REPORT

1. Hersh Resolution
2. Other matters deemed pertinent

Legal Counsel presented a testimonial resolution of appreciation for David Hersh.

MOTION #S-21-023

Motion by Gardella, supported by Sanders, to adopt Testimonial Resolution of Appreciation for David Hersh as follows:

City of Southfield Employee Retirement System

**Testimonial Resolution of
Appreciation for
David Hersh**

By: The Board of Trustees of the City of Southfield Employee Retirement System

WHEREAS, David Hersh has faithfully served as a Trustee for the City of Southfield Employee Retirement System (the “Retirement System”) since April 1 of 2011, and

WHEREAS, throughout Trustee Hersh’s ten (10) years of service to the Retirement System, he worked diligently to provide thorough, comprehensive and respectful services as the retiree elected representative to the Board of Trustees of the Retirement System, and

WHEREAS, Trustee Hersh carried out his fiduciary responsibilities with dedication, sincerity, scholarship, hard work and honor and provided distinguished service to the Board of Trustees and the members and beneficiaries of the Retirement Systems, and

WHEREAS, the Board of Trustees, the members and beneficiaries of the Retirement System, and the employees and citizenry of the City of Southfield owe a debt of gratitude to Trustee Hersh for his dedication and service to the Retirement System, therefore be it

RESOLVED, that the Board of Trustees, on behalf of the members and beneficiaries of the Retirement System, hereby expresses its gratitude and appreciation to Trustee Hersh for his honorable and distinguished service as a Trustee to the City of Southfield Employees Retirement System, and be it further

RESOLVED, the Board expresses its heartfelt condolences to Trustee Hersh’s family and friends for David’s unfortunate passing, noting that his friendship, integrity and commitment to serving the Retirement System for so many years will be sincerely missed.

Motion Carried Unanimously

Legal Counsel indicated that there is still a House Bill circulating regarding the extension of the virtual meeting format during COVID. His office is closely monitoring developments and will report when more information is known.

Legal Counsel was asked to prepare testimonial resolutions of appreciation for Shirley Lightsey and Mark Jubas who no longer serve as Trustees on the Board.

MOTION #S-21-024

Motion by Gardella, supported by Sanders, to adopt Testimonial Resolution of Appreciation for Shirley Lightsey as follows:

City of Southfield Employee Retirement System

**Testimonial Resolution of
Appreciation for
Shirley Lightsey**

By: The Board of Trustees of the City of Southfield Employee Retirement System

WHEREAS, Shirley Lightsey has faithfully served as a Trustee for the City of Southfield Employee Retirement System (the “Retirement System”) since September 21 of 2009, and

WHEREAS, throughout Trustee Lightsey’s over 11 years of service to the Retirement System, she worked diligently to provide thorough, comprehensive and respectful services as an appointed citizen representative to the Board of Trustees of the Retirement System, and

WHEREAS, Trustee Lightsey carried out her fiduciary responsibilities with dedication, sincerity, scholarship, hard work and honor and provided distinguished service to the Board of Trustees and the members and beneficiaries of the Retirement Systems, and

WHEREAS, the Board of Trustees, the members and beneficiaries of the Retirement System, and the employees and citizenry of the City of Southfield owe a debt of gratitude to Trustee Lightsey for her dedication and service to the Retirement System, therefore be it

RESOLVED, that the Board of Trustees, on behalf of the members and beneficiaries of the Retirement System, hereby expresses its gratitude and appreciation to Trustee Lightsey for her honorable and distinguished service as a Trustee to the City of Southfield Employee Retirement System, and be it further

RESOLVED, that the Board of Trustees, on behalf of all the aforementioned parties, says "*Thank You for a Job Well Done*" and expresses its best wishes to Trustee Lightsey along with a reminder that she will always be welcome at future meetings of the Board.

Motion Carried Unanimously

MOTION #S-21-025

Motion by Miller, supported by Mannisto, to adopt Testimonial Resolution of Appreciation for Mark Jubas as follows:

City of Southfield Employee Retirement System

**Testimonial Resolution of
Appreciation for
Mark Jubas**

By: The Board of Trustees of the City of Southfield Employee Retirement System

WHEREAS, Mark Jubas has faithfully served as a Trustee for the City of Southfield Employee Retirement System (the "Retirement System") since August 10 of 2009, and

WHEREAS, throughout Trustee Jubas's over 11 years of service to the Retirement System, he worked diligently to provide thorough, comprehensive and respectful services as an appointed citizen representative to the Board of Trustees of the Retirement System, and

WHEREAS, Trustee Jubas carried out his fiduciary responsibilities with dedication, sincerity, scholarship, hard work and honor and provided distinguished service to the Board of Trustees and the members and beneficiaries of the Retirement Systems, and

WHEREAS, the Board of Trustees, the members and beneficiaries of the Retirement System, and the employees and citizenry of the City of Southfield owe a debt of gratitude to Trustee Jubas for his dedication and service to the Retirement System, therefore be it

RESOLVED, that the Board of Trustees, on behalf of the members and beneficiaries of the Retirement System, hereby expresses its gratitude and appreciation to Trustee Jubas for his honorable and distinguished service as a Trustee to the City of Southfield Employee Retirement System, and be it further

RESOLVED, that the Board of Trustees, on behalf of all the aforementioned parties, says "*Thank You for a Job Well Done*" and expresses its best wishes to Trustee Jubas along with a reminder that he will always be welcome at future meetings of the Board.

Motion Carried Unanimously

RETIREMENT ADMINISTRATOR REPORT

1. Election Update
2. Other matters deemed pertinent

Retirement Administrator provided an election status update to the Board. The election for the retired employee member was terminated and restarted as decided at the March 8, 2021 special meeting. Notices of Election were sent out on March 9 and the deadline for return of candidacy declaration forms is March 26. There will also need to be an election for the active employee member position being vacated by Ed Gardella upon retirement. Notices of Election will be sent out on March 19 and the deadline for return of candidacy declaration forms is April 7. Retirement Administrator asked for and received confirmation that the election for active employee member position was for the remaining term which expires March 31, 2023.

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 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 an active employee appeared before the ACS Commission at their last meeting and is requesting pension credited service back to 2008 while she was labelled a non-career employee. The Assistant City Attorney feels that this issue should be addressed jointly by ACS and SERS. Legal Counsel pointed out that nothing formal has been brought to the Board. He also reminded the Board that they should not be making any decisions regarding the classification of employees; once a decision has been made, the SERS Board will grant benefits accordingly.

Ed Gardella thanked the Board for the great experience he has had as a SERS Trustee and for the help and training he has received. The Board, in turn, thanked him for his dedicated and diligent service.

Ed Gardella also informed the Board that he has become aware of an old invoice regarding RHC funds and Retirement Administrator pay which the City appears to still be carrying as a receivable from SERS. As far as the Board is concerned, there should be no outstanding amount due as a letter was sent to the City Administrator on December 10, 2019 indicating that payment of \$197,785 in six equal installments would be made, and was, to satisfy the debt. Retirement Administrator also stated that June 30, 2020 valuation financials provided by the City Fiscal Services Department originally showed a receivable of \$595,636 and when questioned, was changed to a write-off of \$397,851. Ed Gardella will follow-up with the City to ensure outstanding invoice was an oversight and will be corrected.

Julius Maisano indicated that he spoke to City Administrator regarding filing the current vacancies on the SERS Board (mayoral appointee and ACS Commission member). He was told that it is a slow process; he will continue to monitor the situation.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:56 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on April 20, 2021