

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – MAY 11, 2021
VIA TELECONFERENCE – 5:45 p.m.**

MINUTES

Board Members Present: Julius Maisano, Chair, Wayne County, MI; Chris Diaz, Oakland County, MI; L. Susan Mannisto, Oakland County, MI; Ron Miller, Oakland County, MI; Donna Sanders, Oakland County, MI; Lauri Siskind, Riverside County, CA

Board Members Absent:

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

The meeting was called to order by Julius Maisano, Chair, at 5:47 p.m. with a roll-call.

APPROVAL OF AGENDA

MOTION #S-21-038

Motion by Siskind, supported by Sanders, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, May 11, 2021. Motion Carried Unanimously

APPROVAL OF MINUTES

1. April 20, 2021 Regular Meeting Minutes

MOTION #S-21-039

Motion by Mannisto, supported by Siskind, to approve Meeting Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, April 20, 2021. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. None
2. Cash Account Report
 - a. None
3. Applications for Retirement
 - a. None

4. Authorization of Benefits
 - a. E. Gardella, 04/17/2021

5. Refund of Contributions
 - a. C. Osborne
 - b. A. Murphy
 - c. B. Marshall

6. Approval of Bills and Expenses
 - a. Invoice from Champlain for asset management services for the period January 1, 2021 to March 31, 2021 in the amount of \$21,712.36
 - b. Invoice from Great Lakes for asset management services for the period 1/1/2021 through 3/31/2021 in the amount of \$12,060.31
 - c. Invoice from WCM for asset management services for the period 1/1/2021 – 3/31/2021 in the amount of \$19,918.47
 - d. Request for reimbursement from City of Southfield for fiduciary liability insurance premiums in the amounts of \$12,628.68 for fiscal year 2019-2020 and \$13,048.74 for fiscal year 2020-2021.
 - e. Invoice from PIA for asset management services for the period January 1, 2021 through March 31, 2021 in the amount of \$10,245.00

MOTION #S-21-040

Motion by Mannisto, supported by Sanders, to approve Consent Agenda as presented.
Motion Carried Unanimously

PUBLIC COMMENT

No comments were made.

INVESTMENT CONSULTANT REPORT

1. Q1 2021 Investment Performance Report
2. Market Update
3. Asset/Manager Summary
4. Other matters deemed pertinent

Investment Consultant presented the 1Q 2021 Performance Report. He reviewed the capital markets during the quarter, including the continued strong run for stocks and the decline in bond prices. He reviewed the asset allocation, financial reconciliation, and performance. The Fund was up 5.80% for the quarter and 42.316% for the year, benefiting from the rotation into small and value stocks in the past two quarters. He also reviewed the performance of the individual managers, noting the strong results from LSV and weaker returns from Champlain and Titan during the 1st quarter.

Investment Consultant reviewed the markets in April, highlighting the strong returns from stocks and bonds, and provided updated market values. No action was recommended.

MOTION #S-21-041

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

LEGAL COUNSEL REPORT

1. Matters deemed pertinent

Legal Counsel did not have a formal report for the Board. He mentioned that he owed a response regarding an old Danish tax situation and his recommendation will be to take no action.

RETIREMENT ADMINISTRATOR REPORT

1. Matters deemed pertinent

Retirement Administrator did not have a formal report for the Board.

NEW BUSINESS

1. None

OLD BUSINESS

1. Expanded Experience Study Alternative

Jeff Tebeau from GRS was present to explain the additional four alternates that the Board had requested. The Board discussed the different scenarios which included expanding Alternate 1 (Ultimate Normal Cost Method) to show a decrease in amortization period over varying years and expanding Alternate 4 (Individual Normal Cost Method) to also show a decrease in amortization period over varying years.

MOTION #S-21-042

Motion by Siskind, supported by Diaz, to approve and adopt all proposed demographic assumption changes as presented in GRS Draft City of Southfield Employee Retirement System 5-Year Experience Study July 1, 2015 through June 30, 2020, including expanded Alternate 4 which changes the Actuarial Cost Method to Individual Normal Cost Method and changes the Amortization Policy to 26 years closed in 2020, decreasing by two years until reaching 20 years, then decreasing by one year thereafter. Motion Carried Unanimously

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

Lauri Siskind inquired about the two-year lag in billing by the City for fiduciary liability insurance premiums. The Retirement System should receive a bill for the 2021-2022 fiscal year coverage sometime in July or August.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:48 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on June 15, 2021