

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – JUNE 18, 2024
MARCOTTE ROOM – 4:00 p.m.**

MINUTES

Board Members Present: Ron Miller, Chair; Evan Cunningham; Chris Diaz; Julius Maisano; Willie Martin (late arrival); Donna Sanders; Lauri Siskind

Board Members Absent: L. Susan Mannisto

Others Present: Megan Battersby, Retirement Administrator/SERS; Chris Kuhn, Investment Consultant/AndCo; Michael VanOverbeke, Legal Counsel/VMT; Tod Trabocco/Marathon Asset Management; Guy Torres/Pacific Income Advisors; Karl Knas and Sarah Schattner/Deroy & Devereaux; Trevor Savage/Reinhart Partners

The meeting was called to order by Ronald Miller, Chair, at 4:02 p.m.

APPROVAL OF AGENDA

MOTION #S-24-037

Motion by Diaz, supported by Sanders, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, June 18, 2024, as presented, with Economic Roundtable and Manager Reviews moved to following Consent Agenda. Motion Carried Unanimously

APPROVAL OF MINUTES

1. May 14, 2024 Regular Meeting Minutes

MOTION #S-24-038

Motion by Diaz, supported by Sanders, to approve Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, May 14, 2024. Motion Carried Unanimously

CONSENT AGENDA

1. Informational Items
 - a. GRS fee letter
2. Cash Account Report
 - a. None
3. Applications for Retirement
 - a. L. Straske, 07/08/2024
 - b. M. Morgan, 07/11/2024

4. Authorization of Benefits
 - a. M. Yatooma, 06/03/2024
5. Refund of Contributions
 - a. S. Hicks
6. Approval of Bills and Expenses
 - a. Expense report from R. Miller for 2024 MAPERS Spring Conference
 - b. Expense report from L. Siskind for 2024 MAPERS Spring Conference
 - c. Expense report from C. Diaz for 2024 MAPERS Spring Conference
 - d. Expense report from J. Maisano for 2024 MAPERS Spring Conference
 - e. Statement from Elan Financial Services for credit changes for the period 05/07/2024 to 06/05/2024 in the amount of \$1,673.20

MOTION #S-24-039

Motion by Maisano, supported by Diaz, to approve Consent Agenda as presented. Motion Carried Unanimously

INVESTMENT CONSULTANT REPORT

1. Economic Roundtable (4:00 – 5:15)
2. Manager Review (5:30 – 6:20)
 - Marathon Asset Management (Distressed Debt)
 - Pacific Income Advisors (Core Fixed Income)
 - Derooy & Devereaux (Small / Mid Cap)
 - Reinhart Partners (Small Cap)
 - AEW (Core Real Estate)
3. Market Update
4. Asset/Manager Summary

Investment Consultant moderated an economic roundtable with several of SERS investment managers, including Marathon, Pacific Income, Reinhart, and Derooy & Devereaux. Topics included strength of the US economy, expectations for Fed policy and interest rates, concentration of equity market returns, impact of artificial intelligence, and other topics.

Willie Martin entered the meeting.

Following the roundtable discussion, each manager reviewed the performance and attribution of their strategy.

UNFINISHED BUSINESS

1. None

NEW BUSINESS

1. None

Julius Maisano informed the Board that City employees received a 3% pay raise effective July 1, 2024 and proposed that the Retirement Administrator be given a 3% raise, too. Evan Cunningham indicated that he would abstain from voting due to being a new Board member and his unfamiliarity with the Retirement Administrator's performance. Donna Sanders asked Lauri Siskind if she could provide information from MAPERS regarding salaries of retirement administrators.

MOTION #S-24-040

Motion by Maisano, supported by Diaz, to approve a 3% pay increase for Retirement Administrator effective July 1, 2024. Motion Carried, Cunningham abstained

INVESTMENT CONSULTANT REPORT

1. Economic Roundtable (4:00 – 5:15)
2. Manager Review (5:30 – 6:20)
 - Marathon Asset Management (Distressed Debt)
 - Pacific Income Advisors (Core Fixed Income)
 - Derooy & Devereaux (Small / Mid Cap)
 - Reinhart Partners (Small Cap)
3. **Market Update**
4. **Asset/Manager Summary**

Investment Consultant distributed the May market summary and updated market values. He discussed the pending transition to Fifth Third Bank and the need to sell the Comerica 500 fund and reinvest the proceeds in the Fidelity 500 fund. He was asked to provide a summary of class returns (quilt chart) which he indicated he would email to trustees.

MOTION #S-24-041

Motion by Siskind, supported by Maisano, to approve liquidation of the Comerica S&P 500 Fund with transfer to Fifth Third Fidelity S&P 500 fund. Motion Carried Unanimously

LEGAL COUNSEL REPORT

1. Matters deemed pertinent

Legal Counsel did not have anything to report.

RETIREMENT ADMINISTRATOR REPORT

1. Announcement to retirees re: custodial change

Retirement Administrator presented a draft letter for consideration which would be mailed to all retirees informing them of the change in custodial bank. Lauri Siskind suggested adding a paragraph indicating that a retiree newsletter may be forthcoming later in the year and asking for the submission of e-mail addresses to develop an electronic database. The letter was approved and Retirement Administrator will facilitate the mailing.

Retirement Administrator asked if the Board would like an e-mail sent to all SERS members informing them that the retirement handbook is on the SERS webpage. She will pursue whether it is possible to send an e-mail to only SERS members.

PENDING MATTERS

1. Pre-Retirement Workshop

No comments were made.

PUBLIC COMMENT

No comments were made.

TRUSTEE COMMENT/OPEN FORUM

No additional comments were made.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:41 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on July 16, 2024