

**SOUTHFIELD EMPLOYEE RETIREMENT SYSTEM
REGULAR MEETING – TUESDAY – NOVEMBER 12, 2024
COUNCIL STUDY – 5:00 p.m.**

MINUTES

Board Members Present: Ron Miller, Chair; Evan Cunningham (alternate – early exit); Chris Diaz; Julius Maisano; L. Susan Mannisto; Willie Martin; Donna Sanders; Lauri Siskind (via phone)

Board Members Absent:

Others Present: Megan Battersby, Retirement Administrator/SERS; Michael VanOverbeke, Legal Counsel/VMT; Jeff Tebeau, Casey Ahlbrandt-Rains, Madeline Mager/GRS

The meeting was called to order by Ron Miller, Chair, at 5:00 p.m.

APPROVAL OF AGENDA

MOTION #S-24-062

Motion by Diaz, supported by Sanders, to approve Agenda, Southfield Employee Retirement System, Regular Meeting, Tuesday, November 12, 2024, as presented. Motion Carried Unanimously

APPROVAL OF MINUTES

1. October 15, 2024 Regular Meeting Minutes

MOTION #S-24-063

Motion by Diaz, supported by Maisano, to approve Minutes, Southfield Employee Retirement System, Regular Meeting, Tuesday, October 15, 2024. 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. G. Salo

5. Refund of Contributions

- a. S. McNair

6. Approval of Bills and Expenses

- a. Credit card statement for the period 10/05/2024 to 11/05/2024 in the amount of \$460.79
- b. Invoice from PIA for asset management services for the period July 1, 2024 through September 30, 2024 in the amount of \$14,361.00
- c. Invoice from Champlain for asset management services for the period 01 July 2024 to 30 September 2024 in the amount of \$25,313.06
- d. Invoice from WCM for asset management services for the period 07/01/2024 to 09/30/2024 in the amount of \$18,455.17
- e. Invoice from D&D for asset management services for the period ending September 30, 2024 in the amount of \$22,825.00
- f. MAPERS annual membership renewal for 2025 in the amount of \$200.00

MOTION #S-24-063

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

UNFINISHED BUSINESS

1. Pension Calculator (HR)

There has been no new information from HR. Retirement Administrator was asked to contact HR Director again for an update. She was also asked to contact Investment Consultant about 5/3 statements.

NEW BUSINESS

1. Draft actuarial valuation
2. Set 2025 meeting schedule

GRS was in attendance to present results of the June 30, 2024 actuarial valuation. Purpose of the valuation, key results, gain/loss experience, assets, and valuation trends were discussed. Losses on liabilities were the main driver in the increase of the System's unfunded liability. Despite investment gains, larger than assumed pay increases resulted in an overall loss of 1% of accrued liabilities. The large increase in total payroll reduced the contribution rate by approximately 2% but the city's projected dollar contribution will increase by approximately 5%. Unrecognized investment gains will put downward pressure on the contribution rates in the near future.

Legal Counsel asked the actuary how soon an experience study could be requested and whether it should be completed before the actuarial audit that is required next year. Layered amortization was discussed as was deferred asset experience/asset smoothing. Two deferred vested members being carried in the actuarial data who have attained retirement eligibility will try to be located.

MOTION #S-24-064

Motion by Mannisto, supported by Sanders, to accept and approve draft City of Southfield Employees Retirement System Fifty-Ninth Actuarial Valuation Report as of June 30, 2024 with a computed employer contribution rate of 26.97% and a minimum dollar contribution of \$5,887,125 and direct that the actuary finalizes the report and that the draft copy be sent to the City Fiscal Services Director. Motion Carried Unanimously

Evan Cunningham exited the meeting.

MOTION #S-24-065

Motion by Mannisto, supported by Sanders, to approve 2025 meeting dates as follows: January 21, February 25, March 18, April 8, May 13, June 17, July 15, August 19, September 9, October 21, November 18, December 16. Motion Carried Unanimously

INVESTMENT CONSULTANT REPORT

1. Market Update
2. Asset/Manager Summary
3. Fund transfer recommendation

While the Investment Consultant was not at the meeting, he recommended a transfer for liquidity purposes.

MOTION #S-24-066

Motion by Maisano, supported by Diaz, to approve the transfer of \$1,500,000 from Derooy & Devereaux SMID Value Fund to Cash Fund, per recommendation of Investment Consultant. Motion Carried Unanimously

LEGAL COUNSEL REPORT

1. Updated Policy Resolution Re: Advisor and Consultant Review
2. Medical Director RFI
3. Pension information request

Legal Counsel updated the policy resolution regarding consultant review by striking language regarding City Council.

MOTION #S-24-067

Motion by Mannisto, supported by Sanders, to approve adoption of Policy Resolution Re: Advisors and Consultant Review as presented. Motion Carried Unanimously

Legal Counsel reviewed a draft RFI for Medical Director which the Board approved for immediate release.

MOTION #S-24-068

Motion by Diaz, supported by Siskind, to authorize Legal Counsel to issue an RFI for Medical Director services with a return deadline of December 13, 2024. Motion Carried Unanimously

Legal Counsel addressed the information request for name and pension amount that was received from HR. He doesn't see a reason to deny the request from the employer but wanted to discuss what information should be provided. He suggested that only monthly pension amount be provided with a strong disclaimer to protect the confidentiality of retirees and that the response be sent to the City Administrator and HR Director.

RETIREMENT ADMINISTRATOR REPORT

1. Matters deemed pertinent

Retirement Administrator had nothing further to report.

PUBLIC COMMENT

No comments were made.

TRUSTEE COMMENT/OPEN FORUM

Lauri Siskind inquired about when WebEx would be used for meetings. Retirement Administrator indicated that she is still waiting for training from Tech Services.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:55 p.m.

Prepared by Megan Battersby, Retirement Administrator

Approved by Board Motion on December 17, 2024