

# **CITY OF SOUTHGATE POLICE AND FIRE RETIREMENT SYSTEM**

## **NOTICE OF MEETING CHANGE**

**THE CITY OF SOUTHGATE POLICE AND FIRE RETIREMENT SYSTEM MEETING SCHEDULED FOR THURSDAY, JUNE 17, 2021 AT 2:30 P.M., WILL BE HELD IN THE CITY COUNCIL CHAMBERS, IN CITY HALL, 14400 DIX-TOLEDO HIGHWAY, SOUTHGATE, MICHIGAN. ONLY THE LOCATION OF THE MEETING HAS CHANGED.**

The date, time and place of rescheduled regular meeting and special meetings of the Board of Trustees will be posted at least 18 hours prior to such meetings.

*In accordance with the Americans with Disabilities Act,  
reasonable accommodations will be provided upon advance notice.*

BOARD OF TRUSTEES OF THE CITY OF  
SOUTHGATE POLICE AND FIRE  
RETIREMENT SYSTEM

By:   
Charlotte Benke, Recording Secretary

**BOARD OF TRUSTEES OF THE CITY OF SOUTHGATE  
POLICE AND FIRE RETIREMENT SYSTEM**

**14730 Reaume Parkway  
Southgate, Michigan 48195**

**(313) 246-1350  
Fax (313) 282-9087**

**REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE  
CITY OF SOUTHGATE POLICE AND FIRE RETIREMENT SYSTEM**

**May 20, 2021**

**PRESENT:** Marc Hatfield, Secretary **ALSO PRESENT:** Jack Timmony, VanOverbeke, Michaud & Timmony, P.C.  
Rob Lukofsky, Trustee William Messner, Morgan Stanley/Graystone  
Ken Brown, Trustee Charlotte Benke, Recording Secretary  
Don Calvin, Retiree

**EXCUSED:** Gordon Mydlarz, Trustee  
James Dallos, Trustee

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Marc Hatfield called the meeting to order at 2:01 p.m.

**Roll call for remote meeting:**

Marc Hatfield,	Wayne County, Michigan
Rob Lukofsky,	Wayne County, Michigan
Ken Brown,	Wayne County, Michigan

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**APPROVAL OF THE MINUTES**

**Re: Minutes of April 15, 2021**

Minutes of regular meeting held on April 15, 2021 were reviewed and discussed,

**Motion to approve the minutes of April 15, 2021 regular meeting**

By: Rob Lukofsky, supported by Marc Hatfield **Motion carried.**

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**CORRESPONDENCE**

**The following correspondence has been received and placed on file.**

1. Receipt of city statement of employee contributions for April 2021 (\$26,021.89).

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**UNFINISHED BUSINESS**

1. Kevin Czopek has not mailed in payment for his share of his E.R.O as of this meeting.
2. Cheryl Czopek has not returned calls from the Retirement System to begin benefit payments.  
Language in EDRO will be reviewed.

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**NEW BUSINESS**

1. Resignation of Police Officer Doug Stockdale effective 04/16/2021.
2. Resignation of Police Officer Andrew Boski effective 04/23/2021.
3. Appointment of Police Officer Lance Fairbanks effective 05/30/2021.
4. Appointment of Police Officer Raymond Khamis effective 05/30/2021.
5. Appointment of Police Officer Allison Sjoblom effective 05/30/2021.

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6. Meeting Status for June. "In Person, Remote, or Hybrid". Unless City extends state of emergency beyond June 30, 2021, meetings will be held in person. Trustee Marc Hatfield stated he prefers in person meetings. Trustee Rob Lukofsky also prefers in person meetings.

**Motion to hold June meeting in person in the City Council chamber.**

By: Rob Lukofsky, Supported by Ken Brown

**Motion carried.**

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### LEGAL REPORT

Mr. Jack Timmony was present at the meeting and stated that is unlikely that the Michigan Legislature amends the Open Meetings Act to allow remote meetings beyond June 30<sup>th</sup>.

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### REPORTS OF MANAGERS/CONSULTANT

#### INVESTMENT CONSULTANT REPORT

#### RE: GRAYSTONE CONSULTING/MORGAN STANLEY

Mr. William Messner was present at the meeting, and discussed the following:

1. **Alidade Capital Performance Review and Investment Proposal:** Geoff Langdon and Matthew Richter of Alidade Capital were present at the meeting to discuss performance review of Fund IV as of March 31, 2021. Total Capital commitment for Retirement System was \$2,000,000. Total distributions as of March 31, 2021 was \$190,676. Net Internal Rate of return is 9.4%. Pleased with Fund IV performance.

Investment Proposal for Alidade Capital Fund V, LP was discussed. Fund V is a real estate value-add fund. Geographic markets that support, attract and retain long-themed technology companies that will provide above trend growth. In these Ecosystems are key demand drivers for real estate space. Process on investment will be followed as in Fund IV. Discount through May 31, 2021.

**Approval of Fund V: \$2 million dollar commitment will depend upon written Investment Consultant's recommendation and Legal Counsel's approval of investment documents, etc.**

By: Marc Hatfield, Supported by Ken Brown

**Motion carried.**

2. **Total Fund Performance as of April 30, 2021:** Mr. Messner reviewed the report and stated that the Total Fund was up 2.70% for the month; up 2.70% for the Quarter to Date; and up 7.47% year to date and up 26.74% fiscal year to Date. The portfolio is outperforming and well positioned.

**Allocation and Rebalance: Mr. Messner recommended a rebalancing as follows:** Take \$800,000 from Edgewood Large Growth; take \$800,000 from Hamlin Equity Income; take \$100,000 from Ancora Small/Mid; take \$100,000 from Reinhart Partners; take \$100,000 from Vanguard Emerging Market for a total of \$1,900,000; **Put \$600,000 into Koppernik Global All Cap and place \$1,300,000 into Comerica Cash Account.**

**Follow the recommendation of Morgan Stanley Rebalance of portfolio** Take \$800,000 from Edgewood Large Growth; take \$800,000 from Hamlin Equity Income; take \$100,000 from Ancora Small/Mid; take \$100,000 from Reinhart Partners; take \$100,000 from Vanguard Emerging Market for a total of \$1,900,000; **Put \$600,000 into Koppernik Global All Cap and place \$1,300,000 into Comerica Cash Account.**

By: Marc Hatfield, Supported by Ken Brown

**Motion carried.**

**Report received and placed on file.**

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**APPROVAL OF WARRANTS:**

1614 - Gabriel Roeder Smith & Co., for Czopek Calculation in the amount of \$2,100.00. **Table payment.**

1617 – Morgan Stanley Investment Consultant fees for 4<sup>th</sup> Quarter 2020 and 1<sup>st</sup> Quarter 2021 in the amount of \$40,259.92.

1618 – Hamlin Capital 1<sup>st</sup> Quarter 2021 investment management fees in the amount of \$10,648.81

By: Rob Lukofsky, supported by Ken Brown

Motion carried.

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**OPEN FORUM**

Persons in audience: Don Calvin

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**ANNOUNCEMENTS**

**Next meeting: Thursday, April 15, 2021 at 2:30 p.m.**

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**ADJOURNMENT**

**Motion to adjourn the meeting**

By: Marc Hatfield, supported by Rob Lukofsky

**Motion carried.**

Meeting adjourned at 3:16 p.m.

I certify that the foregoing are the true minutes of the meeting of the Board of Trustees held May 20, 2021,

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Marc Hatfield, Secretary