

BOARD OF TRUSTEES OF THE CITY OF FARMINGTON HILLS, MICHIGAN
EMPLOYEES' RETIREMENT SYSTEM
MINUTES – FEBRUARY 21, 2025
CITY HALL COMMUNITY ROOM

1) Call Meeting to Order

Chairperson Lauri Siskind called the meeting of the Board of Trustees of the City of Farmington Hills, Michigan Employees' Retirement System (ERS) to order at 9:00 a.m. on February 21, 2025, in the City Hall Community Room.

Roll call.

Board Members Present: Lauri Siskind via Teams

Eric Gould
Tom Skrobola
Domenic Lauria
Tom Allen
Paul Wonfor
Don Droelle

Others Present: Investment Consultants Mike Holycross and Brian Green; Pension Accountant Susan Hardy; Finance Department Secretary Stephanie Keimer; City Council Liaison Bill Dwyer (left meeting at 10:44 am); Attorney Rob Abb via Teams (left meeting at 9:24 am).

2) Trustee Don Droelle took the Oath of Office as performed by City Clerk Carly Lindahl for a new 3-year term ending December 31, 2027, prior to the meeting being called to order. Lauri Siskind welcomed Don Droelle to the Board. Lauri Siskind also welcomed Council Member Dwyer to the meeting.

3) Approval of Agenda – MOTION #FH-2025-01: Eric Gould made a motion to approve the agenda with one modification. The City Clerk swore in Don Droelle prior to the start of the meeting. Seconded by Tom Skrobola. Unanimously approved.

4) Approval of Minutes – MOTION #FH-2025-02: Eric Gould made a motion to approve the meeting minutes of November 1, 2024. Seconded by Domenic Lauria. Unanimously approved.

5) Election of Officers

A. Lauri Siskind nominated Eric Gould as chairperson. There were no other nominations.
MOTION #FH-2025-03: Tom Skrobola made a motion to elect Eric Gould as Chairperson of the Retirement Board of Trustees and Healthcare Plan for 2025. Seconded by Paul Wonfor. Unanimously approved.

Chairperson Eric Gould took over the meeting.

B. Eric Gould nominated Lauri Siskind for Vice Chairperson. There were no other nominations.
MOTION #FH-2025-04: Tom Skrobola made a motion to elect Lauri Siskind as Vice Chairperson of the Retirement Board of Trustees and Healthcare Plan for 2025. Seconded by Paul Wonfor. Unanimously approved.

6) Public Comments and Questions – None.

7) Board Member Correspondence, Comments & Announcement

- A. MAPERS March Madness Slam Dunk Networking Event – March 21, 2025, at DraftKings Sports and Social in Troy, MI
- B. MAPERS Spring Conference Saturday, May 17 – Tuesday, May 20, 2025, at MotorCity Hotel in Detroit, MI
MOTION #FH-2025-05: Tom Skrobola made a motion to amend the agenda by adding the MAPERS Spring Conference arrangements discussion as the first item under new business. Seconded by Lauri Siskind. Unanimously approved.

8) Routine Matters

- A. **MOTION #FH-2025-06:** Domenic Lauria made a motion to accept the quarterly Report of Refunds, Beneficiary Changes, New Retirees and New Applications for Membership as of December 31, 2024. Seconded by Lauri Siskind. Unanimously approved.
- B. **MOTION #FH-2025-07:** Paul Wonfor made a motion to accept the Report of Retirement System and Retiree Healthcare expenses paid for the quarter ending December 31, 2024, with two date corrections. Seconded by Tom Allen. Unanimously approved.
Lauri Siskind asked Rob Abb to investigate the possibility of VanOverbeke, Michaud, & Timmony sending a quarterly bill rather than the usual annual bill. Rob Abb agreed to pass along the request.

9) Reports

A. Attorney Report:

- Attorney Rob Abb from VanOverbeke, Michaud, & Timmony discussed the Actuarial Audit with the Board. Rob informed the Board that the request for proposal for actuarial audit services was issued on February 19, 2025. Questions can be submitted until March 7, 2025. By March 14, 2025, they hope to receive intents to respond by all interested actuaries. Responses to any questions will be provided March 18, 2025, and responses to the RFP are due back on March 28, 2025. Rob noted that this Board is at the forefront of the RFP process.
Stephanie will post the memo from Michael VanOverbeke regarding the Social Security Fairness Act on the Intranet.
Rob Abb left the meeting after his report.

B. Administrator report:

- Tom Skrobola provided an update on the Duty Disability offset issue. City staff sent Form 4506 to the IRS for copies of 2021 and 2022 income tax returns. No response has been received at this time.
- Annual reports were produced and posted to Intranet. For your review later in the meeting. Eric Gould noted that the chairperson and vice chairperson are inverted on the reports and Lauri Siskind pointed out one typo. Both will be corrected and reposted.
- **Investment Subcommittee Report** – The current members are Eric Gould, Paul Wonfor, and Thomas Allen.
Eric Gould provided a summary of the options Mariner will present later in the meeting. The ISC will provide updates to the Board as they have their meetings.

10) Unfinished Business – None.

11) New Business

- A. MAPERS Spring Conference Saturday, May 17 – Tuesday, May 20, 2025, at MotorCity Hotel in Detroit, MI

The Board discussed lodging for members at the conference.

MOTION #FH-2025-08: Tom Allen made a motion to approve reimbursement of the cost of lodging for the nights of Sunday May 18th and Monday May 19th, 2025, for each Board member attending the conference. Seconded by Lauri Siskind. Unanimously approved.

- B. The Employees' Retirement System Annual Report and the Healthcare Fund Annual Report to Membership were presented to the Board. The reports were posted on the City's website and sent to the Michigan Department of Treasury. Eric Gould noted that the chairperson and vice chairperson are inverted on the reports and Lauri Siskind pointed out one typo. Both will be corrected and reposted.

MOTION #FH-2025-09: Tom Skrobola made a motion to accept and file the Employees' Retirement System Annual Report and Healthcare Fund Annual Report with the modifications identified above. Seconded by Paul Wonfor. Unanimously approved.

- C. The 4th Quarter Investment Performance Report as of December 31, 2024, was presented and discussed with the Board by Financial/Investment Advisors Brian Green and Mike Holycross of Mariner Institutional. The Retirement System performance was down 0.92% during the quarter compared to the Policy Index being down 1.07% during the quarter, ranking in the 47th percentile. The Post-Retirement Healthcare Fund performance was down 0.94% during the quarter compared to the Policy Index being down 1.07% during the quarter, ranking in the 48th percentile. Lauri Siskind asked Mariner to provide a summary exhibit report for all alternative commitments. **MOTION #FH-2025-10:** Tom Skrobola made a motion to accept and file the Mariner quarterly investment reports for ERS and Post-Retirement Healthcare. Seconded by Paul Wonfor. Unanimously approved.

- D. Reinhart Partners Mid Cap vs. Small/Mid discussion with Mariner Institutional.

MOTION #FH-2025-11: Tom Skrobola made a motion to work with Reinhart Partners to transfer existing funds from the mid-cap strategy to the Reinhart Partners Genesis fund for the Employees' Retirement System subject to confirmation of transaction cost. Seconded by Domenic Lauria. Unanimously approved.

MOTION #FH-2025-12: Tom Skrobola made a motion to work with Reinhart Partners to transfer existing funds from the mid-cap strategy to the Reinhart Partners Genesis fund for the Post-Retirement Healthcare subject to confirmation of transaction costs. Seconded by Domenic Lauria. Unanimously approved.

Lauri Siskind asked Mariner to provide separate recommendation letters for both transactions.

- E. Asset Allocation discussion with Mariner Institutional.

Brian Green from Mariner Institutional informed the Board of various options to consider regarding asset allocation targets for both the Employees' Retirement System Fund and the Retiree Healthcare Fund.

The Investment Subcommittee plans to hold more meetings in the coming months to explore the various asset allocation options.

F. The Board reviewed and discussed the status and timing of vendor contracts.

- **Investment Consultant** – Mariner Consulting: – The current agreement expires on June 30, 2025.
MOTION #FH-2025-13: Domenic Lauria made a motion to renew through June 30, 2026. Seconded by Tom Skrobola. Unanimously approved.
- **Attorney** VanOverbeke, Michaud & Timmony, P.C.:– Retainer agreement, no expiration date. No action required.
- **Actuary** Gabriel, Roeder, and Smith: The current contract expires on June 30, 2026. No action required.
- **Pension Custodian** Northern Trust: – The current contract expires on December 31, 2026. No action required.
- **Auditor** Yeo & Yeo: - The current contract expires after the FY 2024/25 audit, which will take place in FY 2025/26. No action required.

G. The Board confirmed the next meeting date of Friday, May 9, 2025, at 9:00 a.m. in the Community Room.

12) **MOTION #FH-2025-14**: Without objection, Chairperson Gould adjourned the meeting at 11:56 a.m.

Respectfully Submitted,
Thomas C. Skrobola
Secretary-Treasurer, Board of Trustees

Procedures for accommodations for persons with disabilities:

Anyone planning to attend the meeting remotely or who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City Clerk's Office at 248-871-2410 at least two (2) business days prior to the meeting, wherein necessary arrangements/accommodations will be made.