

**BOARD OF TRUSTEES OF THE CITY OF FARMINGTON HILLS, MICHIGAN**  
**EMPLOYEES' RETIREMENT SYSTEM**  
**MINUTES – MAY 10, 2024**  
**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 May 10, 2024, in the City Hall Community Room.

**Roll call.**

Board Members Present: Lauri Siskind  
Eric Gould  
Tom Skrobola  
Tim Waker  
Thomas Allen (left meeting at 10:06am)  
Paul Wonfor  
Absent: Domenic Lauria

Others Present: Attorney Michael VanOverbeke; Investment Consultant Mike Holycross; Pension Accountant Susan Hardy; Finance Department Secretary Stephanie Keimer.

**2) Approval of Agenda - [MOTION #FH-2024-17](#):** Tom Allen made a motion to approve the agenda. Seconded by Tim Waker. Unanimously approved.

**3) Approval of Minutes – [MOTION #FH-2024-18](#):** Eric Gould made a motion to approve the meeting minutes of February 16, 2024. Seconded by Tim Waker. Unanimously approved.

**4) Public Comments and Questions - None.**

**5) Board Member Correspondence, Comments & Announcements**

A. The Investment Subcommittee (ISC) Report – The ISC met with Mike Holycross and Brian Green of Mariner to evaluate international equity investments due to Hardman Johnson's and First Eagle's underperformance. Mariner presented five strong investment managers for consideration. The ISC narrowed it down to three, which were presented in detail by Mariner later in the meeting.

B. Mariner Institutional Form ADV Part 2A Amendment – Mike Holycross from Mariner informed the Board that this is an annual filing, and the only change of substance was the name change. AndCo officially became Mariner on April 2, 2024.

**6) Routine Matters**

A. [MOTION #FH-2024-19](#): Eric Gould made a motion to accept the quarterly Report of Refunds, Beneficiary Changes, New Retirees and New Applications for Membership as of March 31, 2024. Seconded by Paul Wonfor. Unanimously approved.

B. [MOTION #FH-2024-20](#): Eric Gould made a motion to accept the Report of Retirement System and Retiree Healthcare expenses paid for the quarter ending March 31, 2024. Seconded by Paul Wonfor. Unanimously approved.

C. Attorney Report –

- Michael VanOverbeke presented the Board with a draft version of revised By-Laws. Updates include virtual meeting and remote participation guidelines as well as additional Rules of Procedures, Public Comments Guidelines, and Authorized Signatory provisions. Michael asked that the Board members individually review this draft document and provide comments and questions to him.

Attorney VanOverbeke informed the Board that there will be a session on actuarial audits at the upcoming MAPERS Spring Conference. The Board will discuss the actuarial audit further at the next meeting in August 2024. Lauri Siskind requested that if VMT produces a model RFP for Actuarial Audit services before the August 2024 meeting that such model policy be provided to the board in advance to facilitate action at that meeting should the board wish to do so.

D. Administrator Report

- Duty Disability Retirement offset issue:
  - i. City staff are waiting to receive the IRS data in response to the Form 4506 submittal. This will be used to evaluate years three and four of disability benefits. It is assumed that the same offset for years one and two will be necessary for years three and four.
- Custodial RFP:
  - i. Comerica’s contract will be expiring December 31, 2024.
  - ii. Five firms have submitted proposals: Comerica, Northern Trust, PNC, Fifth Third, and Salem.
  - iii. City staff will conduct a thorough review, select finalists, and interview them. Paul Wonfor expressed interest in joining staff on the sub-committee reviewing the proposals. No objection from the Board.
  - iv. City staff will provide a recommendation at the next meeting in August 2024.

**7) Unfinished Business--none**

**8) New Business**

A. The Board reviewed the amended FY 2023/24 Retirement Board budget as well as the proposed FY 2024/25 Retirement Board budget.

**MOTION #FH-2024-21:** Eric Gould made a motion to adopt the amended FY 2023/24 Budget as presented. Seconded by Tim Waker. Unanimously approved.

**MOTION #FH-2024-22:** Eric Gould made a motion to adopt the proposed FY 2024/25 Retirement Board Budget subject to confirmation of the audit fees as well as recognizing the custodial fees may need to be amended once a new custodian is selected. Seconded by Tom Skrobola. Unanimously approved.

B. The 1st Quarter Investment Performance Report as of March 31, 2024, was presented and discussed with the Board by Financial/Investment Advisor Mike Holycross of Mariner. The Retirement System performance was up 5.16% during the quarter compared to the Policy Index being up 4.90% during the quarter, ranking in the 29<sup>th</sup> percentile. The Retiree Healthcare Fund performance was up 5.21% during the quarter compared to the Policy Index being up 4.90% during the quarter, ranking in the 27<sup>th</sup> percentile. The full redemption from Corbin has been received. Mariner plans to reallocate those funds and will ask the ISC to review options sometime

in the second half of the year.

**MOTION #FH-2024-23:** Eric Gould made a motion to accept and file the first quarter performance reports for ERS and Post-Retirement Health Care and acknowledge the presentation by investment consultant Mariner. Seconded by Paul Wonfor. Unanimously approved.

- C. Summaries of three international management firms to replace Hardman Johnson and First Eagle were presented to the Board by Mike Holycross of Mariner. The Board is interested in scheduling a special meeting to interview Aristotle Capital Management, LLC and Hudson Edge Investment Partners, Inc. Mariner recommends a blended distribution between one of the selected international managers and a mutual fund, such as DFA or the Index Fund.

**MOTION #FH-2024-24:** Eric Gould made a motion to schedule a virtual special meeting at 9:00 a.m. on Friday May 31, 2024, for the purpose of interviewing Aristotle Capital Management, LLC and Hudson Edge Investment Partners, Inc. Seconded by Tim Waker. Unanimously approved.

- D. **MOTION #FH-2024-25:** Tom Skrobola made a motion to appoint Board members Tim Waker and Paul Wonfor as voting delegates at the Spring 2024 MAPERS Conference, with alternates Tom Skrobola and Thomas Allen. Seconded by Tim Waker. Unanimously approved.

- E. Mariner will be holding an informational roundtable on June 7, 2024, at 9:00am. No action required.

- F. The Board confirmed the next regular meeting date of Friday, August 23, 2024, at 9:00 a.m. in the Community Room.

- 9) **MOTION #FH-2024-26:** Without objection, Chairperson Lauri Siskind adjourned the meeting at 11:05AM.

**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.