

**MINUTES OF THE REGULAR VIRTUAL MEETING OF THE  
RETIREE HEALTH CARE FUND INVESTMENT COMMITTEE  
HELD DECEMBER 4, 2020**

Christopher Conti called the meeting to order at 10:14 A.M.

PRESENT: Pierre Boutros, Birmingham, MI  
Christopher Conti, Birmingham, MI  
Mark Gerber, Birmingham, MI  
Ruth Rowland, Troy, MI  
Joseph Valentine, Birmingham, MI

ALSO PRESENT: Thelma Golden, Treasury Consultant; Investment Consultants:  
David Gasper, Matt Lasko, Megan Smith, Meredith Farber and  
Maureen Mendoza, UBS; Mark Buis and Richard Koch, Gabriel  
Roeder

14-2020

Motion by Boutros:  
Second by Valentine:

To Approve the Consent Agenda:

To approve the Retiree Health Care Fund Investment Committee meeting minutes of  
September 11, 2020;

To approve the Retiree Health Care fund expenses of \$50,305.48 for the period of  
July 1, 2020 through September 30, 2020;

To receive the Summary of Assets for the period ending October 31, 2020 with a total  
market value of \$40,645,216.

ROLL CALL VOTE:

Boutros: Aye  
Conti: Aye  
Gerber: Aye  
Rowland: Aye  
Valentine: Aye

15-2020

The investment consultants report was reviewed at the December 4, 2020 Retirement Board meeting. Investments in the Retiree Health Care Fund mirror those of the Retirement Fund. Matt Lasko reported slight differences in the recommendations for the Retiree Health Care Fund. They are recommending reducing the Vanguard Mid-

Cap Index by 3%, reducing Apex by 3%, reducing Gabelli by 1%, increasing Westwood by 1.5%, and increasing MFS by 3%

16-2020

Motion by Valentine:

Second by Gerber:

To concur in the recommendation of the Retirement Investment Committee and the Investment Consultants to enter into an agreement with Blackstone Securities Partners, L.P. to invest in the Blackstone Real Estate Income Trust (BREIT) for the Retiree Health Care Fund; to authorize Secretary-Treasurer Mark Gerber to execute the agreement on behalf of the Retiree Health Care Fund Investment Committee; to direct Comerica Bank to create a new BREIT account for the Retiree HealthCare Fund to be managed by Blackstone Securities Partners, L.P.; to authorize the reinvestment of dividends.

ROLL CALL VOTE:

Boutros: Aye

Conti: Aye

Gerber: Aye

Rowland: Aye

Valentine: Aye

17-2020

Motion by Boutros:

Second by Valentine;

To concur in the recommendation of the Retirement Investment Committee and the Investment Consultants to enter into an agreement with Starwood Capital, L.L.C. to manage the Starwood Real Estate Income Trust for the Retiree Health Care Fund; to authorize Secretary-Treasurer Mark Gerber to execute the agreement on behalf of the Retiree Health Care Fund Investment Committee; to direct Comerica Bank to create a new SREIT account for the Retiree Health Care Fund to be managed by Starwood Capital, L.L.C; to authorize the reinvestment of dividends.

ROLL CALL VOTE:

Boutros: Aye

Conti: Aye

Gerber: Aye

Rowland: Aye

Valentine: Aye

18-2020

Motion by Valentine:

Second by Rowland:

To concur in the recommendation of the Retirement Investment Committee and the Investment Consultants to reduce the Vanguard Mid-Cap Index (VO) by \$1,282,750; to reduce the allocation to Fiera Capital by \$1,496,500; to reduce the allocation to Gabelli by \$427,500, to increase the allocation to the MFS International Diversified Fund by \$1,282,750; to increase the allocation to Westwood by \$641,400; to transfer \$641,300 into the BREIT; to transfer \$641,300 into the SREIT; to transfer the funds from the account formerly managed by Cavendish equally into the SREIT and the BREIT accounts.

ROLL CALL VOTE:

Boutros: Aye

Conti: Aye

Gerber: Aye

Rowland: Aye

Valentine: Aye

19-2020

Mark Buis reported that the actuarial valuation for the Retiree Health Care Fund is only required every two years. The funding ratio for the plan at June 30, 2020 was 79.2%, which is very good. The numbers in this report tend to be very volatile because of health care inflation.

Rich Koch reported there was a substantial decrease in the recommended contribution from the prior valuation due primarily to a more favorable claims experience and the repeal of the Cadillac tax under the Affordable Care Act.

20-2020

Motion by Boutros:

Second by Conti:

To receive the Retiree Health Care Actuarial Valuation for the fiscal year ended June 30, 2020.

ROLL CALL VOTE:

Boutros: Aye  
Conti: Aye  
Gerber: Aye  
Rowland: Aye  
Valentine: Aye

21-2020

Motion by Valentine:

Second by Rowland:

To approve the fiduciary liability insurance policy from Cincinnati Insurance Companies for the period from January 2, 2021 through January 2, 2022 with a \$3,000,000 limit of liability and a \$10,000 deductible with a premium of \$5,112 for the Retiree Health Care Fund.

ROLL CALL VOTE:

Boutros: Aye  
Conti: Aye  
Gerber: Aye  
Rowland: Aye  
Valentine: Aye

22-2020

Motion by Boutros:

Second by Valentine:

Resolution to receive the Retiree Health Care Fund Administration Budget for fiscal Year 2021-2022 as submitted.

ROLL CALL VOTE:

Boutros: Aye  
Conti: Aye  
Gerber: Aye  
Rowland: Aye  
Valentine: Aye

23-2020

Chris Conti and others present thanked Joe Valentine for his service on the Committee and extended their best wishes to him.

The meeting was adjourned at 10:29 A.M.

Respectfully submitted,

Thelma Golden  
Treasury Consultant