CITY OF BIRMINGHAM
RETIREMENT INVESTMENT COMMITTEE MEETING
WEDNESDAY, AUGUST 30, 2023, 7:30 A.M.

1. Retirement Fund - Summary of Assets

	7/31/2023		6/30/2023		6/30/2022	
Blackrock Total Return K - Fixed Income	11,174,147	11.2%	11,178,792	11.3%	12,338,342	12.9%
Metropolitan West Total Return Bond Fund	11,032,609	11.0%	11,030,247	11.2%	12,329,922	12.9%
Fidelity 500 Index Fund - Large-Cap Equity	30,475,672	30.4%	29,527,364	30.0%	27,457,097	28.7%
MFS Mid-Cap Value	6,243,169	6.2%	6,054,535	6.1%	5,951,210	6.2%
Blackrock Mid-Cap Growth Equity	5,100,158	5.1%	4,941,214	5.0%	4,277,552	4.5%
Allspriing Special Small-Cap Value Fund	2,338,425	2.3%	2,235,771	2.3%	2,276,210	2.4%
Principal Small-Cap Growth Fund	2,145,385	2.1%	2,081,750	2.1%	1,780,627	1.9%
American Funds Europacific Growth	9,543,950	9.5%	9,273,344	9.4%	8,007,816	8.4%
Hartford International Opportunities Fund	9,571,668	9.6%	9,308,999	9.4%	8,586,253	9.0%
Graham Absolute Return - Hedge Fund	0	0.0%	0	0.0%	4,300,190	4.5%
Whitebox Multi-Strategy - Hedge Fund	1,707,853	1.7%	2,555,091	2.6%	4,200,823	4.4%
Starwood Realty Income Trust	3,858,486	3.9%	3,812,164	3.9%	3,986,775	4.2%
Partners Group Private Equity	6,243,534	6.2%	6,243,534	6.3%	0	0.0%
Cash	758,381	0.8%	308,534	0.3%	221,963	0.2%
Other Assets	16,470	0.0%	16,934	0.0%	0	0.0%
Total	100,209,907	100.0%	98,568,273	100.0%	95,714,780	100.0%

2. Retiree Health Care Fund - Summary of Assets

	7/31/2023		6/30/2023		6/30/2022	
Blackrock Total Return K - Fixed Income	5,457,972	11.6%	5,460,240	11.9%	5,457,276	12.8%
Metropolitan West Total Return Bond Fund	5,369,219	11.4%	5,368,069	11.7%	5,454,088	12.8%
Fidelity 500 Index Fund - Large-Cap Equity	14,163,870	30.1%	13,723,135	29.9%	12,083,693	28.4%
MFS Mid-Cap Value	2,628,856	5.6%	2,549,426	5.5%	2,563,598	6.0%
Blackrock Mid-Cap Growth Equity	2,237,095	4.8%	2,167,377	4.7%	1,715,979	4.0%
Allspring Special Small-Cap Value Fund	1,119,122	2.4%	1,069,994	2.3%	963,012	2.3%
Principal Small-Cap Growth Fund	907,663	1.9%	880,741	1.9%	753,342	1.8%
American Funds Europacific Growth Fund	4,432,037	9.4%	4,306,372	9.4%	3,451,582	8.1%
Hartford International Opportunities Fund	4,274,429	9.1%	4,157,128	9.0%	3,666,213	8.6%
Graham Absolute Return - Hedge Fund	0	0.0%	0	0.0%	1,412,867	3.3%
Whitebox Multi-Strategy - Hedge Fund	561,225	1.2%	839,639	1.8%	1,380,450	3.2%
Starwood Realty Income Trust	2,926,395	6.2%	2,891,264	6.3%	3,023,686	7.1%
Partners Group Private Equity	2,051,234	4.4%	2,051,234	4.5%	0	0.0%
Cash	870,307	1.9%	464,820	1.0%	674,858	1.6%
Other Assets	6,158	0.0%	6,370	0.0%	0	0.0%
Total	47,005,582	100.0%	45,935,809	100.0%	42,600,644	100.0%

3. Approval of minutes of the regular meeting held May 31, 2023.

4 Investment Consultant Quarterly Review - 2nd Quarter 2023

   A. Employee Retirement System
   B. Retiree Health Care Plan

5 A. Meeting dates for 2024

6. Meeting open to the public for matters not on the agenda

7. Schedule of Investment Funds/Services

   A. Retirement Fund
   B. Retiree Health Care Fund

8. Adjourn

The highly transmissible COVID-19 Delta variant is spreading throughout the nation at an alarming rate. As a result, the CDC is recommending that vaccinated and unvaccinated personnel wear a facemask indoors while in public if you live or work in a substantial or high transmission area. Oakland County is currently classified as a substantial transmission area. The City has reinstated mask requirements for all employees while indoors. The mask requirement also applies to all board and commission members as well as the public attending public meetings

NOTICE: Individuals with disabilities requiring accommodations for effective participation in this meeting should contact the city clerk's office at (248) 530-1880 (voice) or (248) 644-5115 (TDD) at least one day in advance to request mobility, visual, hearing or other assistance.

Las personas que requieren alojamiento, tales como servicios de interpretacion, la participacion efectiva en esta reunion deben ponerse en contacto con la Oficina del Secretario Municipal al (248) 530-1880 por lo menos el dia antes de la reunion publica.
(Title VI of the Civil Rights Act of 1964)

MINUTES OF A REGULAR MEETING OF THE
RETIREMENT INVESTMENT COMMIITTEE
MAY 31, 2023

The meeting was called to order at 7:30 A.M.

PRESENT: Richard Aginian, Citizen Member; Mark Gerber, Finance Director/Treasurer; Christopher Conti, Retirement Board Trustee

ALSO PRESENT: Thelma Golden, Treasury Consultant; Frank Pisano, Library Board; Brett Reardon and Jeremy Chambers, Captrust

Motion by Gerber:
Second by Conti:

To approve the minutes of the regular meeting held November 30, 2022.

ROLL CALL VOTE:

Aginian: Abstain. He did not attend the November 30 meeting.
Conti: Aye
Gerber: Aye

Jeremy Chambers and Brett Reardon reviewed Captrust's Quarterly Review for the 3rd Quarter of 2022.

The Retirement Fund's investment performance for 1st Quarter 2023 was 5.19%. The Retiree Health Care Fund 's investment performance was 5.08%.

Captrust's Investment Policy Monitor (Scorecard) ranked Allspring Special Small-Cap Value Fund as under review. In the long run, their investment performance is good. Starwood's long-term performance is excellent. Whitebox is in the process of being liquidated. Altenatives provide diversification. Partners Group investment performance is right in line with its benchmark. Captrust has no concerns with any of the managers and has no recommendations for changes in the portfolio at this time.

Captrust will do an asset allocation analysis within the next year.

Mark Gerber reported that the actuary will present the 5-Year Experience Study to the Retirement Board at their June meeting. Actuarial assumptions will be discussed at this meeting.

The meeting was adjourned at 8:19 A.M.

Respectfully submitted,

Thelma Golden
Treasury Consultant

MEMORANDUM

DATE: **August 23, 2023**

TO: **Retirement Investment Committee**

FROM: **Mark Gerber, Secretary-Treasurer**

SUBJECT: **Retirement Investment Committee-**
2024 Meeting Dates

The Retirement Investment Committee typically schedules its regular meetings on the Wednesday of the week prior to the week the regular Retirement Board meetings are scheduled. The Retirement Board plans to schedule its regular 2024 meetings on March 8, June 14, September 13, and December 13.

We are recommending that the committee schedule its regular meetings at 7:30 A.M. on February 28, June 5, September 4, and December 4.

SUGGESTED ACTION:

To schedule the 2024 regular meetings of the Retirement Investment Committee at 7:30 A.M. on February 28, June 5, September 4, and December 4.

BIRMINGHAM EMPLOYEES RETIREMENT SYSTEM
INVESTMENT FUNDS & SERVICES

		DATE OF HIRE/ TRANSFER	ORIGINAL $/ TRANSFER $	MANAGEMENT FEE
FIXED INCOME	BLACKROCK TOTAL RETURN BOND K MPHQX	9/10/2021	$11,643,934	0.38%
FIXED INCOME	METROPOLITAN WEST RETURN BOND MTXDTIX	9/10/2021	$11,643,934	0.44%
LARGE-CAP EQUITY	FIDELITY 500 INDEX FXAIX	9/10/2021	$34,931,802	0.02%
MID-CAP VALUE EQUITY	MFS MID-CAP VALUE R6 MVCKX	9/10/2021	$6,695,262	0.69%
MID-CAP GROWTH EQUITY	BLACKROCK MID-CAP GROWTH EQUITY K BMGKX	9/10/2021	$6,695,262	0.75%
SMALL-CAP VALUE EQUITY	ALLSPRING SPECIAL SMALL-CAP VALUE R6 ESPRX	9/10/2021	$2,619,885	0.87%
SMALL-CAP GROWTH EQUITY	PRINCIPAL SMALL-CAP GROWTH I R6 PCSMX	9/10/2021	$2,619,885	0.86%
INTERNATIONAL EQUITY	AMERICAN FUNDS EUROPACIFIC GROWTH R6 RERGX	9/10/2021 3/22/2022	$8,732,950 2,010,700	0.49%
INTERNATIONAL EQUITY	HARTFORD INTERNATIONAL OPPORTUNITIES R6	9/10/2021 3/22/2022	$8,732,950 2,010,700	0.71%
HEDGE FUND	WHITEBOX MULTI-STRATEGY FUND, LP	3/8/2019 10/11/2022 4/21/2023	$3,428,013 ($1,078,124) ($834,715)	1.5% MANAGEMENT 20% INCENTIVE
PRIVATE EQUITY FUND	PARTNERS GROUP PRIVATE EQUITY	6/10/2022 10/21/2022 4/18/2023	 $4,506,137 $792,800	2.31% MANAGEMENT 10% PERFORMANCE
REIT	STARWOOD PROPERTY TRUST SREIT	12/4/2020 3/24/2021	$1,479,561 1,479,619	1.25% MANAGEMENT FEE 12.5% PERFORMANCE FEE, SUBJECT TO 5% ANNUAL HURDLE AND HIGH WATER MARK
CUSTODIAN PERFORMANCE MEASUREMENT	COMERICA BANK	1951		0.0475% $500/MANAGER QUARTERLY
INVESTMENT CONSULTANT	CAPTRUST FINANCIAL ADVISORS	6/23/2021		$60,000 ANNUALLY 3% INCREASE AFTER 3 YEARS

8/15/2023

7A

BIRMINGHAM RETIREE HEALTH CARE FUND
INVESTMENT FUNDS & SERVICES

		DATE OF HIRE/ TRANSFER	ORIGINAL $/ TRANSFER $	MANAGEMENT FEE
FIXED INCOME	BLACKROCK TOTAL RETURN BOND K MPHQX	9/10/2021	$4,993,694	0.38%
FIXED INCOME	METROPOLITAN WEST RETURN BOND MTXDTIX	9/10/2021	$4,993,694	0.44%
LARGE-CAP EQUITY	FIDELITY 500 INDEX FXAIX	9/10/2021	$14,981,081	0.02%
MID-CAP VALUE EQUITY	MFS MID-CAP VALUE R6 MVCKX	9/10/2021	$2,871,374	0.69%
MID-CAP GROWTH EQUITY	BLACKROCK MID-CAP GROWTH EQUITY K BMGKX	9/10/2021	$2,871,371	0.75%
SMALL-CAP VALUE EQUITY	ALLSPRING SPECIAL SMALL- CAP VALUE R6 ESPRX	9/10/2021	$1,123,581	0.87%
SMALL-CAP GROWTH EQUITY	PRINCIPAL SMALL-CAP GROWTH I R6 PCSMX	9/10/2021	$1,123,581	0.86%
INTERNATIONAL EQUITY	AMERICAN FUNDS EUROPACIFIC GROWTH R6 RERGX	9/10/2021 3/22/2022	$3,745,270 $915,867	0.49%
INTERNATIONAL EQUITY	HARTFORD INTERNATIONAL OPPORTUNITIES R6	9/10/2021 3/22/2022	$3,745,270 $915,867	0.71%
HEDGE FUND	WHITEBOX MULTI-STRATEGY FUND, LP	3/8/2019 10/11/2022 4/21/2023	$1,126,494 ($354,287) ($274,299)	1.5% MANAGEMENT 20% INCENTIVE
PRIVATE EQUITY	PARTNERS GROUP PRIVATE EQUITY	6/10/2022 10/11/2022 4/18/2023	 $1,480,781 $260,500	2.31% MANAGEMENT 10% PERFORMANCE FEE
REIT	STARWOOD PROPERTY TRUST SREIT	12/4/2020 3/24/2021	$1,111,720 $1,122,185	1.25% MANAGEMENT FEE 12.5% PERFORMANCE FEE, SUBJECT TO 5% ANNUAL HURDLE AND HIGH WATER MARK
CUSTODIAN PERFORMANCE MEASUREMENT	COMERICA BANK	1951		0.0475% $500/MANAGER QUARTERLY
INVESTMENT CONSULTANT	CAPTRUST FINANCIAL ADVISORS	6/23/2021		$60,000 ANNUALLY 3% INCREASE AFTER 3 YEARS