

CITY OF BIRMINGHAM
 RETIREE HEALTH CARE FUND INVESTMENT COMMITTEE
 FRIDAY, MARCH 10, 2023
 FOLLOWING

- 1) Call to Order
- 2) Roll Call
- 3) Announcements
- 4) Consent Agenda

All items listed on the consent agenda are considered to be routine by the Retiree Health Care Fund Investment Committee and will be enacted by one motion and approved by a roll call vote. There will be no separate discussion of these items unless a committee member so requests, in which event the item will be removed from the general order of business and considered as the last item under new business.

- A) Approval of Retiree Health Care Fund Investment Committee Meeting minutes of December 9, 2022.
- B) Approval of Retiree Health Care Fund Expenses of \$9,750 for the period of January 1, 2023 through March 1, 2023.
- C) Resolution to receive the Summary of Assets for the period ending January 31, 2023 with a total market value of \$44,636.23.

	<u>1/31/2023</u>		<u>12/31/2022</u>		<u>1/31/2022</u>	
Ducenta Squared Asset-Fixed Income	0	0.0%	0	0.0%	14,691	0.0%
Blackrock Total Return K-Fixed Income	5,522,858	12.4%	5,316,669	12.8%	6,035,349	12.2%
Metropolitan West Total Return Bond Fund	5,462,474	12.2%	5,246,168	12.7%	6,044,168	12.2%
Fidelity 500 Index Fund-Large Cap Equity	12,697,869	28.4%	11,947,557	28.8 %	14,969,641	30.2%
MFS Mid – Cap Value	2,580,173	5.8%	2,908,506	7.0%	2,914,484	5.9%
Blackrock Mid Cap Growth Equity	2,042,007	4.6%	1,883,937	4.5%	2,289,836	4.6%
Gabelli-Small Cap Value	0	0.0%	0	0.0%	8,970	0.0%
Allspring Special Small Cap Value Fund	1,084,149	2.4%	986,171	2.4%	1,086,061	2.2%
Principal Small-Cap Growth Fund	849,972	1.9%	777,539	1.9%	940,247	1.9%
American Funds Europacific Growth Fund	4,184,611	9.4%	3,954,889	9.5%	3,336,185	6.7%
Hartford International Opportunities Fund	4,168,858	9.3%	4,007,386	9.7%	3,506,426	7.1%
Driehaus Emerging Markets	0	0.0%	0	0.0%	1,901,045	3.8%
Partners Group Private Equity	1,790,734	4.0%	0	0.0%	0	0.0%
Graham Absolute Return-Hedge Fund	0	0.0%	0	0.0%	1,270,013	2.6%
Whitebox Multi-Strategy Hedge	1,097,365	2.5%	1,091,150	2.6%	1,364,271	2.7%
Starwood SREIT	2,982,733	6.7%	3,052,177	7.4%	2,806,378	5.7%
Cash	147,738	0.3%	270,067	0.7%	1,147,195	2.3%
Goldman Sachs Financial Govt Fund	24,697	0.1%	29,067	0.1%	5,682	0.0%
Total	<u>44,636,238</u>	99.6%	<u>41,471,283</u>	99.3%	<u>49,640,642</u>	100.0%

- 5) Investments
- 6) Unfinished Business
- 7) New Business

- 8) Meeting Open to the Public for Items Not on the Agenda.
- 9) Adjournment

Mark Gerber
Secretary/Treasurer
Employees Retirement Board

Individuals requiring accommodations, such as interpreter services, for effective participation in this meeting should contact the City Clerk's Office at (248) 530-1880 at least one day in advance of the public meeting.

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

**MINUTES OF THE REGULAR MEETING OF THE
RETIREE HEALTH CARE FUND INVESTMENT COMMITTEE
HELD DECEMBER 9, 2022**

The meeting was called to order at 9:39 A.M.

PRESENT: Christopher Conti
Mark Gerber
Therese Longe
Thomas Markus

ABSENT Connie Folk

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

12-2022

Motion by Longe:
Second by Gerber:

To approve the Consent Agenda:

To approve the Retiree Health Care Fund Investment Committee meeting minutes of September 9, 2022;

To approve the Retiree Health Care Fund Expenses of \$12,808.22 for the period of October 1, 2022 through December 1, 2022;

To receive the Summary of Assets for the period ending October 21, 2022 with a total market value of \$41,994,143.

ROLL CALL VOTE:

Conti: Aye
Folk: Absent
Gerber: Aye
Longe: Aye
Markus: Aye

12-2022

Brett Reardon and Jeremy Chambers reviewed the Captrust 3rd Quarter Quarterly Review. The portfolio is managed very similar to that of the Retirement Fund. As of September 30, 2022, the fund was down 4.51% for the quarter and down 19.71 YTD.

13-2022

Motion by Markus:
Second by Conti:

To approve the fiduciary liability insurance policy from Cincinnati Companies for the period from January 2, 2023 through January 2, 2024 with a \$3,000,000 limit of liability and a \$10,000 deductible with a premium of \$7,723 for the Retiree Health Care Fund.

ROLL CALL VOTE:

Conti:	Aye
Folk:	Absent
Gerber:	Aye
Longe:	Aye
Markus:	Aye

14-2022

Motion by Conti:
Second by Longe:

To approve the Retiree health Care Budget for fiscal year 2023-2024.

ROLL CALL VOTE:

Conti:	Aye
Folk:	Absent
Gerber:	Aye
Longe:	Aye
Markus:	Aye

The meeting was adjourned at 9:43 A.M.

Respectfully submitted,

Thelma Golden
Treasury Consultant

Retiree Health Care Fund Expenses
1/1/2023-3/31/2023

<u>Date</u>	<u>Name</u>	<u>Purpose</u>	<u>Amount</u>
1/18/2023	Capfinancial	Consultant Fees Period 1/1/23-3/31/23	\$ 7,500.00
12/1/2022	Gabriel, Roeder, Smith & Co	5 yr Projection of Pension Contributions	\$ 2,250.00
TOTAL			<u>\$ 9,750.00</u>



Gabriel, Roeder, Smith & Company

One Towne Square
Suite 800
Southfield, Michigan 48076-3723
(248) 799-9000

Invoice

Date	Invoice
12/21/2022	475188

Bill To:

Attention: Mr. Mark Gerber
City of Birmingham Employees Retirement System
P.O. Box 3001
Birmingham, Michigan 48012

Please Remit To:

Dept. # 78009
Gabriel, Roeder, Smith & Company
PO Box 78000
Detroit, Michigan 48278-0009

Federal Tax ID
38-1691268

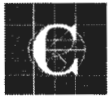
Client 24, Pen Val 2022 0630, Project 24-104 **Amount**

Finalized the June 30, 2022 valuation	9,300.00	ERS
Allocation of Unfunded Actuarial Liability and Amortization payment to 25 component units	2,500.00	ERS
5-year projection of pension and retiree health plan contributions		
- 2 additional scenarios - FY 2023 rate of return at 0% and 15% (2 scenarios @ \$600)		
Summary Annual Report	1,500.00	ERS
Amount Due	\$17,800	

1,650 ERS
 1,650 RHC > 3,300.00
 600 ERS > 1,200.00
 600 RHC

RHC 736.0 - 274.002 - 802.0400 #2,250

 1/3/2023



CAPTRUST

4208 Six Forks Road Suite 1700
Raleigh, NC 27609
ph 919.870.6822 fax 919.870.8891
toll free 800.216.0645

Invoice: LT90625
Date: 1/18/2023
Statement Period: 1/1/2023 - 3/31/2023
Customer No: 2M-CBREHLLT
PO Number:
Amount Due upon Receipt: \$ 7,500.00

Mark Gerber
City of Birmingham, Michigan
151 Martin Street
PO Box 3001
Birmingham, MI 48012

Please remit payment to:
CAPFinancial Partners, LLC.
P.O. Box 896952
Charlotte, NC 28289-6952

ADVISORY FEES

Description	Annual Fee	Freq	Advisory Fee
City of Birmingham Retiree Health Care Fund	\$30,000.00	0.25000	\$ 7,500.00
			\$ 7,500.00

Total Net Fees Due & Payable \$ 7,500.00

In the event any payments have been received, they have been credited above. For a calculation explanation, please call our Accounts Receivable department at 1-800-216-0645. If you have already mailed your payment, please disregard this notice and accept our thanks.

**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	\$1,126,494 -354,287	1.5% MANAGEMENT 20% INCENTIVE
HEDGE FUND	GRAHAM ABSOLUTE RETURN CLASS B FUND	3/8/2019 10/21/2022	\$1,126,494 CLOSED	2% MANAGEMENT 25% INCENTIVE
PRIVATE EQUITY	PARTNERS GROUP PRIVATE EQUITY	6/10/2022 10/11/2022	\$1,480,781	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