

CITY OF BIRMINGHAM  
RETIREE HEALTH CARE FUND INVESTMENT COMMITTEE  
FRIDAY, JUNE 9, 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 and March 10, 2023.
- B) Approval of Retiree Health Care Fund Expenses of \$29,262.28 for the period of January 1, 2023 through May 31, 2023.
- C) Resolution to receive the Summary of Assets for the period ending April 30, 2023 with a total market value of \$44,925,244.

	<u>4/30/2023</u>		<u>3/31/2023</u>		<u>4/30/2022</u>	
Blackrock Total Return K-Fixed Income	5,554,915	12.4%	5,520,440	12.4%	5,549,769	12.4%
Metropolitan West Total Return Bond Fund	5,467,079	12.2%	5,431,807	12.2%	5,546,425	12.4%
Fidelity 500 Index Fund-Large Cap Equity	13,043,300	29.0%	12,843,265	28.9%	13,147,153	29.5%
MFS Mid-Cap Value	2,439,250	5.4%	2,416,190	5.4%	2,768,204	6.2%
Blackrock Mid Cap Growth Equity	2,000,421	4.5%	2,054,850	4.6%	1,915,654	4.3%
Gabelli-Small Cap Value	0	0.0%	0	0.0%	10,529	0.0%
Allspring Special Small Cap Value Fund	999,771	2.2%	1,017,535	2.3%	1,034,182	2.3%
Principal Small-Cap Growth Fund	821,127	1.8%	828,178	1.9%	830,901	1.9%
American Funds Europacific Growth Fund	4,259,728	9.5%	4,215,127	9.5%	3,740,234	8.4%
Hartford International Opportunities Fund	4,098,478	9.1%	4,053,904	9.1%	3,953,894	8.9%
Graham Absolute Return-Hedge Fund	0	0.0%	0	0.0%	1,394,103	3.1%
Whitebox Multi-Strategy Hedge	581,116	1.3%	841,275	1.9%	1,415,058	3.2%
Starwood Realty Income Trust	2,981,928	6.6%	2,981,928	6.7%	2,962,533	6.6%
Partners Group Private Equity	2,051,234	4.6%	1,790,734	4.0%	0	0.0%
Cash	586,849	1.3%	441,577	1.0%	358,962	0.8%
Goldman Sachs Financial Govt Fund	40,048	0.1%	9,453	0.0%	5,645	0.0%
Total	44,925,244	94.0%	44,446,263	100.0%	44,633,247	100.0%

5) Investments

- A) Investment Report

6) Unfinished Business

7) New Business

- A) To receive the Retiree Health Care Actuarial Valuation for the fiscal year ended June 30, 2022.

- 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

**MINUTES OF THE REGULAR MEETING OF THE  
RETIREE HEALTH CARE FUND INVESTMENT COMMITTEE  
HELD MARCH 10, 2023**

The meeting was cancelled due to lack of quorum.

Retiree Health Care Fund Expenses  
1/1/2023-5/31/2023

<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
3/15/2023	Comerica Custodial/Investment Management Services	Custodial Services/Market Value Fees Period 10/1/22-12/31/22	\$ 4,989.30
5/24/2023	Comerica Custodial/Investment Management Services	Custodial Services/Market Value Fees Period 1/1/23-3/31/2023	\$ 5,264.79
4/13/2023	Capfinancial	Custodial Services/Market Value Fees Period 4/1/23-6/30/23	\$ 7,500.00
5/24/2023	Comerica Custodial/Investment Management Services	Custodial Services/Market Value Fees Period 4/1/23-4/30/2023	\$ 1,758.19
TOTAL			<u>\$ 29,262.28</u>



# 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-CBRETHLT  
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.



**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:**

**Please Remit To:**

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

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)	3,300.00	ERS
Summary Annual Report	1,200.00	ERS
	1,500.00	ERS
<b>Amount Due</b>	<b>\$17,800</b>	

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





**City of Birmingham**  
 151 Martin, P.O. Box 3001  
 Birmingham, Michigan 48012  
 248-644-1800 fax 248-644-5614

Dept.#: 1011 Date: 3/15/2023

Req. #: \_\_\_\_\_ Vendor #: 979

Vendor Name: Comerica Bank

Address: Attn: Trust Fee Accounting Group

P.O. Box 67600

Detroit, MI 48267

**PAYMENT REQUISITION FORM**

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #1.	_____	_____	_____	<u>\$ 4,989.30</u>	<u>Custodial Services/market value fees</u>
Account #:	<u>736.0-274.002-802.0300</u>			_____	<u>10/1/2022-12/31/2022</u>

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #2.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #3.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #4.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #5.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

**GRAND TOTAL:** \$ 4,989.30

**INSTRUCTIONS:**

- ( ) Hold for billing.
- ( ) Approved for payment (no purchase order).
- ( ) Send payment to department for mailing.
- ( ) Send attachments with check.
- ( ) Early release.
- ( ) Wednesday release.

Other: \_\_\_\_\_  
 \_\_\_\_\_

**APPROVALS:**

Date of Commission, Library or Retirement Board  
 Approval (if required): \_\_\_\_\_

Dept. Head: \_\_\_\_\_

Finance Dept.: \_\_\_\_\_

Group No.: \_\_\_\_\_



# City of Birmingham

151 Martin, P.O. Box 3001  
Birmingham, Michigan 48012  
248-644-1800 fax 248-644-5614

Dept.#: 1011 Date: 4/17/2023

Req. #: \_\_\_\_\_ Vendor #: 979

Vendor Name: Comerica Bank

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P.O. Box 67600

Detroit, MI 48267

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Item #1.	_____	_____	_____	<u>\$ 5,264.79</u>	<u>Custodial Services/market value fees</u>
Account #:	<u>736.0-274.002-802.0300</u>			_____	<u>1/1/2023-3/31/2023</u>

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #2.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #3.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #4.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #5.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

**GRAND TOTAL:** \$ 5,264.79

### INSTRUCTIONS:

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\_\_\_\_\_

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# CAPTRUST

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Invoice: LT94805  
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Amount Due upon Receipt: \$ 7,500.00

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			\$ 7,500.00
			<b>Total Net Fees Due &amp; Payable \$ 7,500.00</b>

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**City of Birmingham**  
 151 Martin, P.O. Box 3001  
 Birmingham, Michigan 48012  
 248-644-1800 fax 248-644-5614

Dept.#: 1011 Date: 5/24/2023  
 Req. #: \_\_\_\_\_ Vendor #: 979

Vendor Name: Comerica Bank

Address: Attn: Trust Fee Accounting Group

P.O. Box 67600

Detroit, MI 48267

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Item #1.	_____	_____	_____	<u>\$ 1,758.19</u>	<u>Custodial Services/market value fees</u>
Account #:	<u>736.0-274.002-802.0300</u>			_____	<u>4/1/2023-4/30/2023</u>

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #2.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
Item #3.	_____	_____	_____	_____	_____
Account #:	_____			_____	_____

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Account #:	_____			_____	_____

	<u>Quantity</u>	<u>Units</u>	<u>\$/Unit</u>	<u>Total</u>	<u>Description:</u>
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Account #:	_____			_____	_____

**GRAND TOTAL:** \$ 1,758.19

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 \_\_\_\_\_

**APPROVALS:**

Date of Commission, Library or Retirement Board  
 Approval (if required): \_\_\_\_\_

Dept. Head: \_\_\_\_\_

Finance Dept.: \_\_\_\_\_

Group No.: \_\_\_\_\_

**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 REGRX	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

# MEMORANDUM

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**DATE:** May 31, 2023

**TO:** Birmingham Retiree Health Care Fund Investment Committee

**FROM:** Mark Gerber, Finance Director/Treasurer

**SUBJECT:** June 30, 2022 Actuarial Valuation for Retiree Health Care Plan

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The June 30, 2022 Actuarial Valuation for the Retiree Health Care Plan has been submitted under separate cover. Mark Buis and Rich Koch of Gabriel Roeder will be present to review the report and answer questions.

**SUGGESTED ACTION:**

To receive the Retiree Health Care Actuarial Valuation for the fiscal year ended June 30, 2022.