

BIRMINGHAM EMPLOYEES RETIREMENT BOARD AGENDA
FRIDAY, SEPTEMBER 8, 2023 at 8:15 A.M.

- 1) Call to order by Chairman Conti
- 2) Roll Call
- 3) Announcements
 - A) Bruce Johnson was re-elected to the position of General Member of the Retirement Board for a term to expire July 1, 2025.
- 4) Consent Agenda

All items listed on the consent agenda are considered to be routine by the Retirement Board 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 board 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 Retirement Board minutes of June 9, 2023.
- B) Approval of minutes of the Special Retirement Board meeting of August 17, 2023.
- C) Approval of Birmingham Employees Retirement System Bills/Retirement Roll of \$2,165,835.70 for the period from June 1, 2023 through August 31, 2023.
- D) Approval of Pension Administration Expenses of \$47,120.54, for the period from April 1, 2023 to September 30, 2023.
- E) Resolution to receive the Summary of Assets for the period ending July 31, 2023, with a total market value of \$100,209,907.

	<u>7/31/2023</u>		<u>6/30/2023</u>		<u>7/31/2022</u>	
Blackrock Total Return K Fixed Income	11,174,147	11.2%	11,178,792	11.3%	12,338,342	12.9%
Metropolitan W Total Return Bond	11,032,609	11.0%	11,030,247	11.2%	12,329,9227	12.9%
Fidelity 500 Index Fund-Lrg Cap	30,475,672	30.4%	29,527,3643	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%
Allspring Special Small Cap Value Fund	2,338,425	2.3%	2,235,771	2.3%	2,276,210	2.4%
Principal Sm Cap Growth	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	1,707,8532	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	<u>16,470</u>	<u>0.0%</u>	<u>16,934</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
Total	100,209,907	100.0%	98,568,273	100.0%	95,714,780	100.0%

- 5) Investments
 - A) Resolution to approve the recommendation of the Retirement Investment Committee to allocate a portion of the City's portfolio in US Treasury Bonds as recommended by the City's investment consultant CAPTRUST.
- 6) Unfinished Business
- 7) New Business
 - A) To set the 2024 meeting dates for the Retirement Board Committee to be held on Friday, March 8; Friday, June 14; Friday, September 13; and Friday, December 13 at 8:15 AM.
- 8) Communications
- 9) Meeting Open to the Public for Items Not on the Agenda
- 10) 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 RETIREMENT BOARD MEETING
HELD JUNE 9, 2023**

The meeting was called to order at 8:15 A.M.

PRESENT: Matthew Bartalino
 Christopher Conti
 Bruce Johnson
 Therese Longe
 Elaine McLain
 Thomas Markus
 Jeffrey Whipple
 John VanGorder

ALSO PRESENT: Mark Gerber, Finance Director/Treasurer; Thelma Golden, Treasury; Brett Reardon and Jeremy Chambers, Captrust; Samantha Kopacz, Miller Canfield; Mark Buis and Rich Koch, Gabriel Roeder; Connie Folk, Retiree Health Care Fund Investment Committee; Richard Aginian, Retirement Investment Committee; Frank Pisano

04-2023

Motion by Bartalino:
Second by Longe:

To approve the consent Agenda:

To approval the Retirement Board minutes of March 10, 2023;
To approve the Birmingham Employees Retirement System Bills/Retirement Roll of \$2,170,824.45 for the period from March 1, 2023 through May 31, 2023;;
To approve the Pension Administration Expenses of \$50,283.78 for the period from April 1, 2023 to May 31, 2023;;
To grant final approval of the retirement of Brigette Moran from the Community Development Department;
To receive the Summary of Assets for the period ending April 30, 2023, with a total market value of \$96,073,337.

ROLL CALLL VOTE:

Bartalino:	Aye
Conti:	Aye
Johnson:	Aye
Longe:	Aye
Markus:	Aye
McLain:	Aye
Whipple:	Aye

05-2023

Jeremy Chambers and Brett Reardon reviewed Captrust's 1st Quarter 2023 report that was distributed under separate cover.

The fund underperformed in 2022. There was strong investment performance in the 4th quarter of 2022 that continued into January 2023. The fund's investment performance for the period ending March 31, 2023 was 5.19%.

They do not have long-term concerns with any of the managers. They will do an asset allocation analysis over the next few months.

05-2023

Motion by Bartalino:

Second by Longe:

To declare a vacancy in the office of general member of the Retirement Board effective July 1, 2023, to schedule a primary election on Friday, July 31, 2023 and a regular election on August 21, 2023, if necessary; to appoint Matthew Bartalino, Jana Ecker, and Mark Gerber to an election committee to canvass the votes and report election results at the next regular board meeting.

ROLL CALL VOTE:

Bartalino:	Aye
Conti:	Aye
Johnson:	Aye
Longe:	Aye
Markus:	Aye
McLain:	Aye
Whipple:	Aye

06-2023

Motion by Johnson:

Second by McLain:

To set the 2023 interest rate to be applied to members' contributions at 3.68% based on the Retirement Board's policy.

ROLL CALL VOTE:

Bartalino: Aye
Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye
McLain: Aye
Whipple: Aye

07-2023

Mark Buis and Rich Koch, Gabriel Roeder, reviewed the 5-Year Experience Study for the period from July 1, 2017 through June 30, 2022 that was distributed under separate cover.

Tom Markus noted that the funding level for both the Retirement and Retiree Health Care funds is quite high.

John VanGorder explained that Tom Markus had the foresight to begin prefunding the Retiree Health Care Fund when the Retirement Fund was over funded. Tom Markus commended the City Commission for taking action to continue making contributions to the Retiree Health Care Fund. He asked the city commission members of the board to take the actuary's recommendations to the city commission.

08-2023

Motion by Bartalino:
Second by Longe:

To receive the 5-Year Experience Study of the Retirement System prepared by Gabriel Roeder for the period from July 1, 2017 through June 30, 2022; to approve the assumptions as recommended.

ROLL CALL VOTE:

Bartalino: Aye
Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye
McLain: Aye
Whipple: Aye

09-2023

Samantha A. Kopacz, Miller Canfield, stated that she has reviewed the Sarah E Valentine v. Joseph A. Valentine EDRO and has determined that the EDRO constitutes an eligible domestic relations order under the Michigan Eligible Domestic Relations Order Act, MCL 38-1701 et seq.

10-2023

Motion by Markus:
Second by Whipple:

To declare that the Domestic Relations Order 22-510943-DM issued by Judge Lisa Gorcyca on May 5, 2023 for Sarah Valentine and Joseph Valentine by qualified as an Eligible Domestic Relations Order and to authorize the actuary to determine the marital portion to be credited to the alternative payee.

ROLL CALL VOTE:

Bartalino:	Aye
Conti:	Aye
Johnson:	Aye
Longe:	Aye
Markus:	Aye
McLain:	Aye
Whipple:	Aye

11-2023

Chris Conti reported the death of Millard Squire from the Police Department and Marilyn Henderson from the Department of Public Service. He announced that Tom Markus will be terminating his employment with the city and expressed his appreciation for the years of service to the city and the Retirement Board. He also announced that Thelma Golden will be terminating her relationship with the city and expressed thanks for her service.

The meeting was adjourned at 9:11 A.M.

Respectfully submitted,

Thelma Golden
Treasury Consultant

**MINUTES OF THE SPECIAL MEETING OF THE RETIREMENT BOARD MEETING
HELD AUGUST 17, 2023**

The meeting was called to order at 8:30 A.M.

PRESENT: Matthew Bartalino
Bruce Johnson
Therese Longe
Elaine McLain
Jana Ecker
Jeffrey Whipple

ABSENT: Chris Conti
John VanGorder

ALSO PRESENT: Mark Gerber, Finance Director/Treasurer;; Samantha Kopacz, Miller
Canfield; Mark Clemence, Assistant City Manager; Melissa
Fairbairn, Assistant City Manager

12-2023

Motion by Longe:
Second by McLain:

To approve a resolution to meet in closed session as permitted by Section 8(h) of the
Open Meetings Act to consider a disability retirement application which contains protected
health information under HIPAA that is exempt from discussion or disclosure by federal
statute.:

ROLL CALL VOTE:

Bartalino: Aye
Ecker Aye
Johnson: Aye
Longe: Aye
McLain: Aye
Whipple: Aye

13-2023

The Retirement Board returned from closed session.

14-2023

Motion by Longe:
Second by McLain:

To approve Joseph Bunting's duty disability retirement subject to continuing independent medical evaluations and income restrictions as called for by City ordinance.

ROLL CALL VOTE:

Bartalino:	Aye
Ecker	Aye
Johnson:	Aye
Longe:	Aye
McLain:	Aye
Whipple:	Aye

The meeting was adjourned at 9:00 A.M.

Respectfully submitted,

Mark Gerber
Secretary-Treasurer
Birmingham Employee Retirement System

City of Birmingham
Employees Retirement System

Bills and Retirement Roll
June 1, 2023 to August 31, 2023

Date	Name	Purpose	Amount
6/30/2023	Retirement Roll	June 2023 # Added: 0 # Removed: 2	\$ 722,954.57
7/31/2023	Retirement Roll	July 2023 # Added: 0 # Removed: 1	\$ 721,923.56
8/31/2023	Retirement Roll	August 2023 # Added: 0 # Removed: 1	\$ 720,957.57
		Total	<u>\$ 2,165,835.70</u>

Payment History - Detail
Payment Date: 06/01/2023 to 06/30/2023

Account No: 001044 Account/Plan Name: CITY OF BIRMINGHAM EMPLOYEES RETIREMENT SYSTEM

Account Total

(+) MTLY BEN
(+) RETRO AM
(+) DISBPENT
(+) DISBPENN
GROSS
(-) HEALTH
(-) FED TAX
(-) STATE TAX
(-) COBRA DEN
(-) COBRA VIS

\$715,597.42
50.00
\$6,019.75
\$1,337.40
\$722,954.57
\$13,300.39
\$72,177.75
\$18,439.74
\$162.88
\$19.81

→ 122,954.57 ✓
✓
→ 182.69

JB
6/20/23

Payment History - Detail

Payment Date: 07/01/2023 to 07/31/2023

Page 60 of 61

Run Date/Time: 07/21/2023 09:03 AM

Account No: 001044 Account/Plan Name: CITY OF BIRMINGHAM EMPLOYEES RETIREMENT SYSTEM

Account Total

(+) MTLY BEN	\$714,566.41
(+) RETRO AM	\$0.00
(+) DISBPENT	\$6,019.75
(+) DISBPENN	\$1,337.40
GROSS	\$721,923.56
(-) HEALTH	\$13,213.39
(-) FED TAX	\$72,047.10
(-) STATE TAX	\$18,224.66
(-) COBRA DEN	\$162.88
(-) COBRA VIS	\$19.81

Handwritten initials: JB

 Handwritten date: 7/21/23

Account No: 001044 Account/Plan Name: CITY OF BIRMINGHAM EMPLOYEES RETIREMENT SYSTEM

Account Total

(+) MTLY BEN	\$713,600.42	}
(+) RETRO AM	\$0.00	}
(+) DISBPENT	\$6,019.75	}
(+) DISBPENN	\$1,337.40	}
GROSS	\$720,957.57	✓
(-) HEALTH	\$12,740.44	✓
(-) FED TAX	\$71,845.22	
(-) STATE TAX	\$18,240.53	
(-) COBRA DEN	\$101.75	
(-) COBRA VIS	\$9.24	3 ✓

JB 8/21/23

Pension Administration Expenses
6/1/2023 -9/30/2023

<u>Date</u>	<u>Name</u>	<u>Purpose</u>	<u>Amount</u>
7/17/2023	Capfinancial	Consultant Fees 7/1/23-9/30/23	\$ 15,000.00
6/13/2023	Miller Canfield Paddock and Stone	Retirement Plan Matters	\$ 105.00
7/10/2023	Miller Canfield Paddock and Stone	Retirement Plan Matters	\$ 1,190.00
8/7/2023	Miller Canfield Paddock and Stone	Retirement Plan Matters	\$ 735.00
6/28/2023	Gabriel Roeder Smith & Co	Computations 7/1/22 - 6/30/23	\$ 4,200.00
6/28/2023	Gabriel Roeder Smith & Co	5 Year Experience Study	\$16,000.00
8/16/2023	Performance Measurement	\$1,333.32	
	Custodial Services 1/1/23-3/31/23	8,557.22	\$9,890.54
TOTAL			<u>\$ 47,120.54</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: LT98499
Date: 7/17/2023
Statement Period: 7/1/2023 - 9/30/2023
Customer No: 2M-CBEMPLYR
PO Number:
Amount Due upon Receipt: \$ 15,000.00

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 Employees Retirement System	\$60,000.00	0.25000	\$ 15,000.00
			\$ 15,000.00

Total Net Fees Due & Payable \$ 15,000.00

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.

101.0-274.001-802.0600

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
A Professional Limited Liability Company
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
(313) 963-6420
Taxpayer I.D. No. 38-0836500

Attorney-Client/Attorney Work Product Privileged

Mark Gerber, CPA, Finance Director/Treasure
Birmingham, City of
151 Martin Street
P.O. Box 3001
Birmingham, MI 48012-3001

Please reference **Invoice # 1604293**
when remitting payment.

June 13, 2023

For professional services rendered through
May 31, 2023 in connection with the following—

Re: Retirement Plan Matters
Client/Matter #008626/00033
Billing Attorney: Samantha A Kopacz

FEES

Date	Timekeeper/Description	Hours	Amount
05/10/23	<i>Samantha Kopacz</i> Phone conference with Ms. Sashital regarding Bunting grievance.	0.30	105.00
	FEES DUE THIS MATTER.....		\$ 105.00
	TOTAL DUE FOR INVOICE #1604293		\$ 105.00

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
A Professional Limited Liability Company
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
(313) 963-6420
Taxpayer I.D. No. 38-0836500

Attorney-Client/Attorney Work Product Privileged

Mark Gerber, CPA, Finance Director/Treasure
Birmingham, City of
151 Martin Street
P.O. Box 3001
Birmingham, MI 48012-3001

Please reference **Invoice # 1608208**
when remitting payment.

July 10, 2023

For professional services rendered through
June 30, 2023 in connection with the following—

Re: Retirement Plan Matters
Client/Matter #008626/00033
Billing Attorney: Samantha A Kopacz

FEES BILLED THIS INVOICE.....	\$ 1,190.00
COSTS BILLED THIS INVOICE.....	\$ 0.00
TOTAL AMOUNT DUE.....	\$ 1,190.00

PAYMENT OPTIONS:

CHECK Payable To: Miller, Canfield, Paddock and Stone
P. O. Drawer 640348 Detroit, MI 48264-0348

US WIRE TRANSFER Comerica Bank ABA#: 072000096
Swift Code: MNBDUS33 (for international wires only)
Account: 1840-09284-3

VISA, MC or AMEX accepted: www.millercanfield.com/payment.html

If wiring funds, please send payment information to accounting@millercanfield.com
To confirm wire information contact Denise Bailey at (313) 496-7661

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
A Professional Limited Liability Company
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
(313) 963-6420
Taxpayer I.D. No. 38-0836500

Attorney-Client/Attorney Work Product Privileged

Mark Gerber, CPA, Finance Director/Treasure
Birmingham, City of
151 Martin Street
P.O. Box 3001
Birmingham, MI 48012-3001

Please reference **Invoice # 1608208**
when remitting payment.

July 10, 2023

For professional services rendered through
June 30, 2023 in connection with the following—

Re: Retirement Plan Matters
Client/Matter #008626/00033
Billing Attorney: Samantha A Kopacz

FEES

Date	Timekeeper/Description	Hours	Amount
06/01/23	<i>Samantha Kopacz</i> Review Valentine DRO; draft letter related to same.	0.60	210.00
06/08/23	<i>Samantha Kopacz</i> Review workers compensation materials related to Mr. Bunting; preparation for retirement board meeting.	1.00	350.00
06/09/23	<i>Samantha Kopacz</i> Attend retirement board meeting; preparation regarding same.	1.70	595.00
06/28/23	<i>Samantha Kopacz</i> Review email from Chad Trussler regarding status of Bunting disability application; follow up with Mr. Gerber regarding same.	0.10	35.00

FEES DUE THIS MATTER..... \$ 1,190.00

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Attorney-Client/Attorney Work Product Privileged

July 10, 2023

Invoice # 1608208

TOTAL DUE FOR INVOICE #1608208 \$ 1,190.00



Gabriel, Roeder, Smith & Company #1023

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

Invoice

Date	Invoice
6/28/2023	479026

Bill To:

City of Birmingham Employees Retirement System
Attention: Mr. Mark Gerber
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, Ben Calc FYE 2023 0630, Project 24-105

Amount

Regular benefit computations from July 1, 2022 through June 30, 2023 in excess of the 5 included in the base fee (14 calculations @ \$300) 4,200.00

Amount Due \$4,200

101.0-274.001-802.0400
[Signature]
7/3/2023
POST Date 4/30/2023



Gabriel, Roeder, Smith & Company # 1023

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

Invoice

Date	Invoice
6/28/2023	479025

Bill To:

City of Birmingham Employees Retirement System
Attention: Mr. Mark Gerber
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, Exp Study 2022, Project 24-106

Amount

5-Year Experience Study Valuation

- Presentation and delivery of 5-Year Experience Study report on June 2, 2023 16,000.00

Amount Due **\$16,000**

*101.0-274.001-802.0400
[Signature]
7/3/2023
Past Date 6/30/2023*

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
A Professional Limited Liability Company
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
(313) 963-6420
Taxpayer I.D. No. 38-0836500

Attorney-Client/Attorney Work Product Privileged

Mark Gerber, CPA, Finance Director/Treasure
Birmingham, City of
151 Martin Street
P.O. Box 3001
Birmingham, MI 48012-3001

Please reference **Invoice # 1610389**
when remitting payment.

August 7, 2023

For professional services rendered through
July 31, 2023 in connection with the following—

Re: Retirement Plan Matters
Client/Matter #008626/00033
Billing Attorney: Samantha A Kopacz

FEES

Date	Timekeeper/Description	Hours	Amount
07/07/23	<i>Samantha Kopacz</i> Meeting with City team regarding Bunting disability application; preparation regarding same.	2.10	735.00
FEES DUE THIS MATTER.....			\$ 735.00
TOTAL DUE FOR INVOICE #1610389.....			\$ 735.00

101.0 -274-001-801.0200



City of Birmingham

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

Dept.#: 1011 Date: 8/16/2023

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>Total</u>	<u>Description:</u>
Item #1.	_____	_____	<u>\$ 8,557.22</u>	<u>Custodial Services/Market value fee</u>
Account #:	<u>101.0-274.001-802.0300</u>		_____	<u>4/30/23-6/30/2023</u>

	<u>Quantity</u>	<u>Units</u>	<u>Total</u>	<u>Description:</u>
Item #2.	_____	<u>101.0-274.001-802.0500</u>	<u>\$ 1,333.32</u>	<u>Performance Measurement</u>
Account #:	_____		_____	<u>For Period of 4/30/2023-6/30/2023</u>

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

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

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

GRAND TOTAL: \$ 9,890.54

INSTRUCTIONS:

- () Hold for billing.
- () Approved for payment (no purchase order).
- (**X**) 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.: _____

MEMORANDUM

DATE: August 30, 2023
TO: Retirement Board
FROM: Mark Gerber, Secretary-Treasurer
SUBJECT: Change in investment allocation

The Retirement Investment Committee met with CAPTRUST on August 30, 2023 to review the portfolio's performance and recommendations from CAPTRUST. During CAPTRUST's presentation, they suggested that the City may want to consider allocating a portion of its portfolio to include direct purchases of US Treasury Bonds.

US Treasury Bonds are very attractive right now in the short-term earning between 4-5% for investments with a maturity range of 3 months to 1 year. CAPTRUST anticipates that interest rates will continue to increase in the near future which will have a negative impact on our returns in the corporate bond allocation of the portfolio. By making this change, the City will be able to maintain the same approximate rate of return with a significant reduction in risk. The City's current assumed rate of return is 6.75%.

CAPTRUST will present these ideas during their presentation to the Retirement Board.

Suggested Action:

Resolution to approve the recommendation of the Retirement Investment Committee to allocate a portion of the City's portfolio to US Treasury Bonds as recommended by the City's investment consultant CAPTRUST.

MEMORANDUM

DATE: August 30, 2023

TO: Birmingham Retirement Board

FROM: Mark Gerber, Secretary-Treasurer

SUBJECT: Retirement Board - 2024 Meeting Dates

In accordance with the City Charter, the Retirement Board annually sets the meeting dates for the upcoming year. The regular meetings have typically been held on a quarterly basis the second Friday of March, June, September and December unless that day falls on a legal holiday. It is recommended that the regular meeting dates for 2024 be held at 8:15 A.M. on Friday, March 8; Friday, June 14; Friday, September 13; and Friday, December 13.

SUGGESTED ACTION:

To set the 2024 meeting dates for the regular meetings of the Retirement Board on Friday, March 8; Friday, June 14; Friday, September 13; and Friday, December 13 at 8:15 A.M.

City of Birmingham

Employees Retirement Board

September 8, 2023
Information Only

- 1) Pension Benefit Guarantee Corporation (PBGC) Interest Rate.
- 2) Memo announcing the death of Shirley Pennington
- 3) Memo announcing the death of Dolores Lowe
- 4) Memo announcing the death of Carol Thompson
- 5) Memo announcing the death of Michael Labriola
- 6) Investment Management Spreadsheet.



Weighted Average Interest Rate Table

Legend:

- Weighted Average Interest Rate = Wtd Avg
- Permissible Range = xx to xxx%
- 30 Year Treasury Securities Rate = 30-yr TSR
- 30 Year Constant Maturity Rate = 30-yr TCM

Note: The 120% weighted average figures from 2001 [PDF](#) may be used for IRC section 412(m) purposes for the 2002 plan year.

2023

Month/Year	Wtd Avg	90 to 105%	90 to 110%	30-yr TSR
Aug-23	2.79	2.50 to 2.91	-	-
Jul-23	2.72	2.45 to 2.85	-	3.96
Jun-23	2.67	2.40 to 2.80	-	3.86
May-23	2.62	2.36 to 2.75	-	3.86
Apr-23	2.57	2.32 to 2.70	-	3.68

MEMORANDUM

DATE: June 29, 2023

TO: Birmingham Retirement Board

FROM: Mark Gerber, Secretary-Treasurer

SUBJECT: Shirley Pennington

Shirley Pennington passed away on June 16, 2023. She is the spouse of deceased retiree Keith Pennington who worked in the Police Department for close to 30 years. All benefits stop.

MEMORANDUM

DATE: June 5, 2023

TO: Birmingham Retirement Board

FROM: Mark Gerber, Secretary-Treasurer

SUBJECT: Dolores Lowe

Dolores Lowe passed away on June 3, 2023. She worked at the Library for over 24 years. All benefits stop.

MEMORANDUM

DATE: July 25, 2023

TO: Birmingham Retirement Board

FROM: Mark Gerber, Secretary-Treasurer

SUBJECT: Carol Thompson

Carol Thompson passed away on July 25, 2023. She worked at the Baldwin Public Library for over 15 years. All benefits stop.

MEMORANDUM

DATE: August 12, 2023

TO: Birmingham Retirement Board

FROM: Mark Gerber, Secretary-Treasurer

SUBJECT: Michael Labriola

Michael Labriola passed away on August 2, 2023. He worked in the Building Dept. for 26 years. He is survived by his spouse, Roberta, and retired under Option 1-10 years Certain and Life.

**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 REGRX	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