

# DRAFT

## CITY OF FARMINGTON RETIREE HEALTH CARE FUND August 16, 2022

A regular meeting of the Farmington Retiree Health Care Fund Board of Trustees was held on Tuesday, August 16, 2022 at Farmington City Hall, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 9:04 am by Chair Bowman.

**PRESENT:** Bowman, Murphy, Weber

**ABSENT:** None

**OTHERS PRESENT:** Erik Burger of MSSB Graystone Consulting Financial Advisors, Recording Secretary Mary Mullison.

### **MINUTES OF PREVIOUS MEETINGS**

MOTION by Murphy, seconded by Weber, to approve the regular meeting minutes of May 24, 2022.  
MOTION CARRIED UNANIMOUSLY.

### **TREASURER'S REPORT**

Financial Report: quarter ending June 30, 2022.

MOTION by Murphy, seconded by Weber, to accept the Treasurer's Report for quarter ending June 30, 2022 as presented.  
MOTION CARRIED UNANIMOUSLY.

### **ADMINISTRATOR'S REPORT**

**Summary Report – quarter ending June 30, 2022**

**Detail Report – quarter ending June 30, 2022**

Weber reviewed the Administrator's reports for quarter ending March 31, 2022. He gave an overview of the fund's current position and discussed anticipated annual earnings and premiums.

**Fund Manager's Report: Morgan Stanley Smith Barney (MSSB), Graystone Consulting - Quarter Ending June 30, 2022**

Erik Burger of MSSB, Graystone Consulting provided an overview on investments through quarter ending June 30, 2022.

Burger summarized Farmington's position as of June 30, 2022 and said that cash or private real estate investments have been the only places to hide this year, indicating that it was good that Farmington had cash on hand at the low points. He reported on equity markets, an S&P partial recovery, the jobs market and earnings, and he hoped the lows back in June were market bottom. Interest rates may possibly being cut, and that along with a negative GDP becomes good news/bad news. He had no

recommendations to move money because it has been a very choppy year – the best action is no action at this point. MSSB recommends giving Edgewood and Martin Curry another quarter and then revisit a move. Other funds were down for the year across the board, though five out of twelve managers were flat or positive. He would like to schedule a special meeting of the Retiree Healthcare Board soon for education on alternative asset class private credit, introducing one of those managers, and then at the next meeting add a private credit fund.

MOTION by Murphy, seconded by Weber, to approve the Administrator's Report.  
MOTION CARRIED UNANIMOUSLY.

## **OTHER BUSINESS**

### **Redistribution of Investments**

Burger says none at this time

### **Insurance Policy Discussion**

Murphy announced that a quote had come back from Craig Manser at MMRMA on a policy to protect the RHC Board members from personal liability due to their positions on this board, with funds to come out of the trust.

MOTION by Bowman, seconded by Weber, to approve City Administration to purchase an insurance policy as discussed.  
MOTION CARRIED UNANIMOUSLY.

## **MISCELLANEOUS**

### **Public Comment**

No public comment was heard.

### **Trustee Comments**

No Trustee comment was heard.

## **ADJOURNMENT**

MOTION by Weber, seconded by Murphy, to adjourn the meeting.  
MOTION CARRIED UNANIMOUSLY.

Meeting adjourned at 9:27 am.

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Christopher M. Weber, Secretary

APPROVED: