

CITY OF FARMINGTON RETIREE HEALTH CARE FUND
June 3, 2015

A regular meeting of the Farmington Retiree Health Care Fund Board of Trustees was held on Wednesday, June 3, 2015 at Farmington City Hall, Council Chambers, 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 11:05 a.m. by Chairman Galvin.

PRESENT: Galvin, Murphy, Weber

ABSENT: None

OTHERS PRESENT: Brian Green, MSSB Graystone Consulting; Recording Secretary Halberstadt

MINUTES OF PREVIOUS MEETINGS

MOTION by Weber, seconded by Galvin, to approve the regular meeting minutes of February 20, 2015. MOTION CARRIED UNANIMOUSLY.

ELECTION OF OFFICERS:

MOTION by Weber, seconded by Galvin, to nominate and elect Dave Murphy as Vice-Chairman. MOTION CARRIED UNANIMOUSLY.

TREASURER'S REPORT

Financial Report, quarter ending March 31, 2015.

MOTION by Murphy, seconded by Galvin, to accept the Treasurer's Report for quarter ending March 31, 2015 as presented. MOTION CARRIED UNANIMOUSLY.

ADMINISTRATOR'S REPORT

Summary Report: quarter ending March 31, 2015.

Quarterly Report – quarter ending March 31, 2015

MOTION by Murphy, seconded by Weber, to accept the Administrator's Report for quarter ending March 31, 2015 as presented. MOTION CARRIED UNANIMOUSLY.

Fund Manager's Report, Morgan Stanley Smith Barney (MSSB), Graystone Consulting, quarter ending March 31, 2015.

Brian Green of Morgan Stanley Smith Barney (MSSB) Graystone Consulting provided a report on investments through quarter ending March 31, 2015. Discussion ensued regarding markets, investment climate and factors to consider going forward.

Green recommended a portfolio rebalance to cover retiree healthcare costs over the next six months. He stated they are comfortable with the current roster and the overall asset allocation, therefore their recommendation is a pro rata reduction across the board from each of the asset accounts to raise the \$330,000 needed.

MOTION by Weber, seconded by Murphy, to receive and file the MSSB Graystone Consulting report for quarter ending March 31, 2015 and authorize investment rebalance as presented. MOTION CARRIED UNANIMOUSLY.

APPLICATION FOR RETIREE HEALTH CARE BENEFITS

MOTION by Weber, seconded by Murphy, to approve an application from Carole Lukas for retiree healthcare benefits at 100% of premium cost, benefits effective March 27, 2015, eligibility verified by the City Treasurer's Office as meeting the requirements for a 100% paid healthcare benefit. MOTION CARRIED UNANIMOUSLY.

OTHER BUSINESS

Weber requested Mr. Green present a Monte Carlo scenario for the city at the next meeting. Weber stated under the Monte Carlo scenario Morgan Stanley will run the city's portfolio versus its costs to see how likely the funds will last 20 years.

MISCELLANEOUS

Public Comment

None were heard.

Trustee Comments

None were heard.

ADJOURNMENT

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

Meeting adjourned at 11:52 a.m.

Christopher M. Weber, Secretary

APPROVED: August 18, 2015