

FINAL

CITY OF FARMINGTON RETIREE HEALTH CARE FUND November 16, 2021

A regular meeting of the Farmington Retiree Health Care Fund Board of Trustees was held on Tuesday, November 16, 2021 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 9:05 am by Chair Bowman.

PRESENT: Murphy, Weber, Bowman

ABSENT: None

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

APPROVAL OF AGENDA

MOTION by Murphy, seconded by Weber, to approve the agenda.
MOTION CARRIED UNANIMOUSLY.

MINUTES OF PREVIOUS MEETINGS

MOTION by Murphy, seconded by Weber, to approve the regular meeting minutes of August 17, 2021.
MOTION CARRIED UNANIMOUSLY.

TREASURER'S REPORT

Financial Report: quarter ending September 30, 2021.

MOTION by Murphy, seconded by Weber, to accept the Treasurer's Report for quarter ending September 30, 2021 as presented.
MOTION CARRIED UNANIMOUSLY.

ADMINISTRATOR'S REPORT

Summary Report – quarter ending September 30, 2021

Detail Report – quarter ending September 30, 2021

Weber reviewed the Administrator's reports for quarter ending June 30, 2021. 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 September 30, 2021

Erik Burger of MSSB, Graystone Consulting provided an overview on investments through quarter ending September 30, 2021.

Burger summarized the actions made after the last meeting and described the infrastructure investments made. He summarized Farmington's position as of November 8, 2021. The market is down this quarter.

Burger went over the second quarter performance report. He went over the reasons the fund had done well this year, and went through allocations by manager and dividend index. The real estate portfolio continues to do well.

Burger recommended a rebalance from several accounts to maintain a good allocation in international and still has the overweight in value which is preferred. Absolute return assets will be looked at next to mitigate any volatility in the market.

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

REVIEW OF ACTUARY REPORTS

Weber reviewed the actuary report for the City of Farmington Retiree Health Care Plan GASB Statement No. 74 and 75 and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans as of June 30, 2021.

OTHER BUSINESS

Weber proposed a Board meeting schedule for 2022, including the dates of February 22, May 17, August 16, and November 22.

MOTION by Murphy, seconded by Weber, to accept the Board Meeting Schedule for 2022.
MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS

Public Comment

No public comment was heard.

Trustee Comments

Murphy asked whether it was desirable to expand this board to include other members. It had been considered over the years, and he stated that he would like to settle it. Weber said that he didn't feel it was necessary, but would look into it if that was desired. The consensus was to keep it the way it is.

February Meeting Items

The February meeting will include an Annual Review of Investment Policy, a Monte Carlo Scenario Update, and a Review of Retiree Healthcare Costs.

ADJOURNMENT

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

Meeting adjourned at 9:44 am.

Christopher M. Weber, Secretary

APPROVED: March 8, 2022