

FINAL

CITY OF FARMINGTON RETIREE HEALTH CARE FUND May 24, 2022

A regular meeting of the Farmington Retiree Health Care Fund Board of Trustees was held on Tuesday, May 24, 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: Amy Cole of MSSB Graystone Consulting Financial Advisors, Recording Secretary Halley Hilton.

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 Bowman, to approve the regular meeting minutes of March 8, 2022.

Weber mentioned edits to add to the regular meeting of March 8, 2022 including adding two new fund managers, JP Morgan Strategic Income and Lord Abbott, under Investment Rebalance, and a phrase change under Annual Review of Investment Policy from “Real Assets in Opportunistic” to “Real Assets and Opportunistic”.

MOTION CARRIED AS AMENDED

TREASURER’S REPORT

Financial Report: quarter ending March 31, 2022.

MOTION by Murphy, seconded by Weber, to accept the Treasurer’s Report for quarter ending March 31, 2022 as presented.

MOTION CARRIED UNANIMOUSLY.

ADMINISTRATOR’S REPORT

Summary Report – quarter ending March 31, 2022

Detail Report – quarter ending March 31, 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 March 31, 2022

Amy Cole of MSSB, Graystone Consulting provided an overview on investments through quarter ending March 31, 2022.

Cole summarized Farmington's position as of March 31, 2022 and noted changes that have occurred since then. It is an unusual environment for markets to be down this much. Cole mentioned that bad market cycles come with a longer-term strategy; 2011, 2015, 2018, were similar in that regard. The current portfolio is expected to withstand similar cycles. Technology and staples (Proctor & Gamble) are hurting the portfolio the most. Cole mentioned that the portfolio probably would not get back this year what has been lost due to inflation and the Russia & Ukraine war.

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

INVESTMENT REBALANCE

No investment rebalance was discussed.

OTHER BUSINESS

No other business was discussed.

MISCELLANEOUS

Public Comment

No public comment was heard.

Trustee Comments

Cole mentioned bringing in other team members at future meetings to meet everyone.

ADJOURNMENT

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

Meeting adjourned at 10:17 am.

Christopher M. Weber, Secretary

APPROVED: 8/16/2022