

**CITY OF MADISON HEIGHTS  
POLICE & FIRE RETIREMENT SYSTEM  
SPECIAL SCHEDULED TRUSTEE MEETING  
October 19, 2022**

The Meeting of the City of Madison Heights Policemen & Firemen Retirement System Board of Trustees was held on Wednesday, October 19, 2022, at 8:30 a.m. at 31313 Brush Street, Madison Heights, Michigan.

Present: Chairperson, Jeff Gerald  
Board Members: Linda Kunath, Kevin Powers, Anthony Roberts

Others Present: Retirement System Attorney Thomas Michaud  
Morgan Stanley\Graystone investment advisors Brian Brice and Tim Brice

Excused: Kevin Barrett

**12-23 Excuse Trustee Kevin Barrett**

Motion by Trustee Roberts and supported by Trustee Powers to excuse Trustee Kevin Barrett from the special meeting of October 19, 2022.

Yeas: Gerald, Kunath, Powers, Roberts  
Nays: None  
Motion Carried.

**13-23 Approval of Minutes of the Special Meeting of August 30, 2022**

Motion by Trustee Roberts and supported by Trustee Powers to approve minutes of the regular meeting of August 30, 2022.

Yeas: Gerald, Kunath, Powers, Roberts  
Nays: None  
Motion Carried.

**Meeting Open to the Public**

No items were discussed.

**14-23 Morgan Stanley\Graystone Consulting Investment Report**

Investment Consultants Brian Brice and Tim Brice discussed retirement investments and the markets. The first half of August the Federal Reserve increased rates by 75-basis points, suggesting a 2024 terminal rate as high as 4.6%, with no rate cuts contemplated for next year despite a higher unemployment forecast. On the Markets October 2022 report further states the global bond and currency markets internalized the reality of tighter upcoming financial conditions, volatility soared, pressuring US Treasury yields to Great Financial Crisis levels. The third quarter earnings appear foreboding, and the Global Investment Committee has advised reducing expectations for 2023, as lower pricing power and still-firm costs, a strong USD and negative operating leverage kick in.

The portfolio investment allocations were discussed. Options for further diversification of the portfolio will be added to the next agenda.

The pension fund is -4.74% quarter to date which is more than benchmark of -5.00%, -21.33% year-to-date which is more than 19.35% benchmark and 2.94% the last 5 years which is less than benchmark of 4.15%. The total assets as of October 10, 2022 were \$41,880,885 and were \$39,598,937 at September 30, 2022.

Motion by Trustee Powers and supported by Trustee Roberts to receive the investment report.

Yeas: Gerald, Kunath, Powers, Roberts  
Nays: None  
Motion Carried.

**15-23 Key Employee Incentive Program (KEIP) – Lelito G.**

Motion by Trustee Powers and supported by Trustee Roberts to approve request for Service Retirement Benefits – Backlund R.

Yeas: Geraldts, Kunath, Powers, Roberts  
Nays: None  
Motion Carried.

**16-23 Request for Service Retirement Benefits – Lelito G.**

Motion by Trustee Powers and supported by Trustee Roberts to approve request for Service Retirement Benefits – Backlund R.

Yeas: Geraldts, Kunath, Powers, Roberts  
Nays: None  
Motion Carried.

**17-23 Withdrawal of Accumulated Contributions – Twardzik A.**

Motion by Trustee Powers and supported by Trustee Roberts to approve request for withdrawal of accumulated contributions – Twardzik A.

Yeas: Geraldts, Kunath, Powers, Roberts  
Nays: None  
Motion Carried.

**18-23 Approval of Invoice.**

Motion by Trustee Roberts and supported by Trustee Powers to approve payment of an invoice from VanOverbeke Michaud & Timmony, P.C. in the amount of \$3,107.30, for the period of 01/01/2022 thru 6/30/2022.

Yeas: Geraldts, Kunath, Powers, Roberts  
Nays: None  
Motion Carried

**Discuss Proposed Meeting Dates for 2023.**

The Board reviewed proposed meeting dates and will further discuss at the next meeting.

**19 -23 Adjournment**

Motion by Trustee Roberts and supported by Trustee Powers to adjourn the meeting.

Yeas: Geraldts, Kunath, Powers, Roberts.  
Nays: None  
Motion Carried.

Meeting was adjourned at 9:41 a.m.

Respectfully submitted,

Linda A. Kunath, Secretary