

**CITY OF MADISON HEIGHTS
GENERAL RETIREE HEALTH CARE BOARD
SPECIAL SCHEDULED TRUSTEE MEETING
May 21, 2024**

The special meeting of the City of Madison Heights General Retiree Health Care Board of Trustees was held on Tuesday, May 21, 2024, at 10:01 a.m. at 31313 Brush Street, Madison Heights, Michigan.

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

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

20-24 Approval of Minutes of the Regular Meeting of April 16, 2024.

Motion by Trustee Moore and supported by Trustee Strongarone to approve minutes of the regular meeting of April 16, 2024.

Yeas: Gerald, Kunath, Moore, Roberts, Strongarone
Nays: None
Motion Carried.

Meeting Open to the Public

No items were discussed.

21-24 Morgan Stanley\Graystone Consulting Investment Report.

Morgan Stanley Brian Brice discussed the Plan's asset allocation, percentage of portfolio and differences to policy target. The Capital Market indices through March 2024 showed S&P 500 month to date up 3.7%. The magnificent 7 companies (Apple, Microsoft, Amazon, NVIDIA, Google, Tesla, and Meta Platforms) influenced strong returns in the S&P 500 during calendar 2023 and represented 60% of returns in the calendar year. The EAFE is up 5.8%, emerging markets are up 2.1% overall. The Federal Reserve Board is not reducing rates as quickly as predicted, which was 7 rate reductions this year, the prediction is now 3 reductions. The expectation is for a "higher-for-longer" rate scenario. The market has not traded well due to concerns in the middle east. The S&P 500 returns by sector lead by Communication Services with 49.8%, followed by 46.0% for Technology, and 33.5% Financials.

Private investments will be funded \$500,000 in Hamilton Lane on 6/01/24 and \$500,000 in Appollo on 7/01/24. The annual Wealth Strategies Analysis does not recommend any further changes to the policy investment statement beyond what has already been approved by the Board.

March 31, 2024 final investment balance was \$18,709,955, returns were up net of fees 4.53% quarter to less than 5.76% benchmark, up 10.77% fiscal year to date less than 12.93% benchmark, up 5.30% the last 3 years less than 5.28% benchmark, and up 8.66% the last 5 years more than 8.32% benchmark. The total assets as of April 5, 2024 were \$18,822,658 and were \$18,637,475 at April 5, 2024.

Motion by Trustee Moore and supported by Trustee Strongarone to receive and file the investment report and discretionary memorandum.

Yeas: Gerald, Kunath, Moore, Roberts, Strongarone
Nays: None
Motion Carried.

New Business.

No items were discussed.

22-24 Adjournment.

Motion by Trustee Roberts to adjourn the meeting.

Yeas: Geraldts, Kunath, Moore, Roberts, Strongarone

Nays: None

Motion Carried.

The meeting was adjourned at 10:11 a.m.

Respectfully submitted,

Linda Kunath, Secretary