

**CITY OF MADISON HEIGHTS  
GENERAL RETIREE HEALTH CARE BOARD  
SPECIAL SCHEDULED TRUSTEE MEETING  
May 12, 2023**

The special meeting of the City of Madison Heights General Retiree Health Care Board of Trustees was held on Tuesday, May 12, 2023, at 10:15 a.m. at 31313 Brush Street, Madison Heights, Michigan.

Present: Chairperson, Jeff Gerald  
Board Members: Kevin Barrett, Eric Bissinger, Linda Kunath

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

Excused: Board Member: Anthony Roberts

**25-23 Excuse Board Member Anthony Roberts**

Motion by Trustee Barrett and supported by Trustee Bissinger to excuse Board Member Anthony Roberts from the regular meeting of May 12, 2023.

Yeas: Barrett, Bissinger, Gerald, Kunath  
Nays: None  
Absent: Roberts  
Motion Carried.

**26-23 Approval of Minutes of the Regular Meeting of April 18, 2023**

Motion by Trustee Bissinger and supported by Trustee Barrett to approve minutes of the regular meeting of April 18, 2023.

Yeas: Barrett, Bissinger, Gerald, Kunath  
Nays: None  
Absent: Roberts  
Motion Carried.

**Meeting Open to the Public**

No items were discussed.

**27-23 Morgan Stanley\Graystone Consulting Investment Report**

Morgan Stanley discussed the Plan's asset allocation, percentage of portfolio and differences to policy target. The bear market rally that began in mid-October 2022 continued with the S&P 500 as of 3/31/23 up 7% year-to-date. The Federal Funds rate was 5% at the end of March, as concerns about financial stability emanating from the regional bank turmoil and SVB failure mute Federal Reserve aggressiveness. Morgan Stanley forecast one or two rate cuts by end of December. The forecast for 10-year Treasury yields over the next 12 months is 3.15-3.25%. Morgan Stanley advice is to overweight cash and ultra-short fixed income, collecting positive real yields with an eye toward patience regarding the start of a new bull market.

This fund does not meet the qualifications to invest in the Brevan Howard Hedge fund, since this fund is below the minimum fund size of \$25 million. Information about Ironwood was distributed. This fund qualifies to invest in this all employee owned firm. There is a monthly subscription fee and liquidity is semi-annually, with 95 days written notice. Information was sent to legal counsel for review.

Quarter to date returns were up 4.85%, less than benchmark of 5.12%, last 3 years up 12.03% net of fees, over benchmark of 9.92, and last 5 years up 6.80%, over benchmark of 5.95%. The total assets as of May 2, 2023 were \$16,998,462 and as of March 31, 2023 were \$16,987,413.

Motion by Trustee Bissinger and supported by Trustee Barrett to receive and file the investment reports.

Yeas: Barrett, Bissinger, Geraldts, Kunath

Nays: None

Absent: Roberts

Motion Carried.

#### **28-23 Graystone Consulting Asset Allocation Study**

Motion by Trustee Bissinger and supported by Trustee Barrett to receive and file the Graystone Consulting Asset Allocation Study, dated May 8, 2023.

Yeas: Barrett, Bissinger, Geraldts, Kunath

Nays: None

Absent: Roberts

Motion Carried.

#### **29-23 Adjournment**

Motion by Trustee Barrett and supported by Trustee Bissinger to adjourn the meeting.

Yeas: Barrett, Bissinger, Geraldts, Kunath

Nays: None

Absent: Roberts

Motion Carried.

The meeting was adjourned at 10:37 a.m.

Respectfully submitted,

Linda Kunath, Secretary