

**MINUTES OF THE REGULAR MEETING OF THE
RETIREE HEALTH CARE FUND INVESTMENT COMMITTEE
HELD MARCH 18, 2019**

The meeting was called to order at 8:04 A.M. by Christopher Conti

PRESENT: Patty Bordman, Christopher Conti, Mark Gerber, Ruth Rowland,
Joseph Valentine

ALSO PRESENT: David Gasper, UBS

01-2019

Motion by Valentine:
Second by Conti:

To approve the Consent Agenda:

To approve the Retiree Health Care Fund Investment Committee meeting minutes of December 14, 2018;

To approve the Retiree Health Care Fund Expenses of \$66,289.04 for the period from December 7, 2018 through February 6, 2019;

To receive the Summary of Assets for the period ending January 31, 2018 with a total market value of \$34,95,590.

Bordman: Aye (Bordman abstained from voting on the approval of December 14, 2018 minutes)

Conti: Aye

Gerber: Aye

Rowland: Aye

Valentine: Aye

02-2019

Chris Conti stated that the investment recommendations are made to parallel action taken by the Retirement Board at their March 8, 2019 meeting.

David Gasper stated that the Goldman Sachs Strategic Income Fund be replaced not only because of their lackluster performance but more because of their process which they were no longer comfortable with. They recommend replacing this fund with the Bramshill Investments Income Performance Fund which has a good track record, a process that they are very comfortable with and the ability to be more tactical in a challenging fixed income, rising interest rate environment.

The alternative investments portion of the portfolio was allocated to managed futures; and, this class has underperformed significantly relative to their alternative investment peers. They are recommending the addition of two multi-strategy hedge fund managers and reducing the allocation in managed futures.

03-2019

Motion by Conti:

Second by Valentine:

To concur in the recommendation of Investment consultant Steve Gasper and the Retirement Investment Committee to recommend portfolio allocation changes for the Retiree Health Care Fund; to direct Comerica Bank to liquidate the Goldman Sachs Strategic Income Fund GSZIX, to direct Comerica Bank to transfer the proceeds into the new Bramshill Investments Income Performance Fund.

Ayes: 5

Nays: 0

04-2019

Motion by Conti:

Second by Valentine:

To concur in the recommendation of Investment consultant Steve Gasper and the Retirement Investment Committee to recommend portfolio allocation changes for the Retiree Health Care Fund; to direct Comerica Bank to liquidate the Abbey Capital Multi-Manager Fund, Share Class B; to direct Comerica Bank to open a new hedge fund account in the Retiree Health Care Fund for the Graham Absolute Return Class B Fund; to direct Comerica to create a new hedge fund in the Retiree Health Care Fund for the Whitebox Multi-Strategy Fund, LP; to add the total of the assets liquidated from Abbey Capital Multi-Manager Fund as of February 28, 2019 to the assets in the Cavendish Futures Fund as of February 28, 2019; to direct Comerica to transfer one-third of that total (\$1,126,494) into the new Graham Absolute Return Class B; to direct Comerica to transfer one-third of that total (\$1,126,494) into the new Whitebox Multi-Strategy Fund, LP, and to direct Comerica to reduce the assets in the Cavendish Future Fund by \$661,030 to equal one-third of that total (\$1,126,494).

Ayes: 5

Nays: 0

05-2019

Mark Buis and Rich Koch, Gabriel Roeder, reviewed the June 30, 2018 Actuarial Valuation for the Retiree Health Care Plan with the Retirement Board at their March 8,

2019 meeting. Joe Valentine stated that the plan continues to get better with a funding level at June 30, 2019 of 67.9%. Not many other communities can say this.

06-2019

Motion by Rowland:

Second by Conti:

To rescind resolution 12-2018; to schedule the 2019 regular meetings for the Retiree Health Care Fund Investment Committee to be held immediately following the Retirement Board meetings on June 14, September 13, and December 13 in the municipal building.

Ayes: 5

Nays: 0

The meeting was adjourned at 8:20 A.M.

Respectfully submitted,

Thelma Golden
Treasury Consultant