

CITY OF FARMINGTON RETIREE HEALTH CARE FUND
November 18, 2014

A regular meeting of the Farmington Retiree Health Care Fund Board of Trustees was held on Tuesday, November 18, 2014 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 9:00 a.m. by Chairman Galvin.

PRESENT: Galvin, Pastue, Weber.

ABSENT: None.

OTHERS PRESENT: Brian Green, MSSB Graystone Consulting; Sue Halberstadt, Recording Secretary.

MINUTES OF PREVIOUS MEETINGS

MOTION by Pastue, seconded by Weber, to approve the regular meeting minutes of August 21, 2014. MOTION CARRIED UNANIMOUSLY.

TREASURER'S REPORT

Financial Report: quarter ending September 30, 2014.

MOTION by Pastue, seconded by Weber, to accept the Treasurer's Report for quarter ending September 30, 2014 as presented. MOTION CARRIED UNANIMOUSLY.

ADMINISTRATOR'S REPORT

Summary Report: Fiscal Year Ending September 30, 2014.

Quarterly Report – Fiscal Year Ending September 30, 2014

Fund Manager's Report: Morgan Stanley Smith Barney (MSSB) Graystone Consulting Group, Quarter Ending September 30, 2014

The Board concurred to invite the City's Actuarial, Gabriel, Roeder, Smith & Company, to make a presentation to the Board on the City's latest valuation.

Brian Green of Morgan Stanley Smith Barney (MSSB) Graystone Consulting, provided a report on investments through quarter ending September 30, 2014. He noted negative portfolio results for the third quarter, however, through November all of the losses were recovered. He discussed the volatility of the market in the third quarter, but noted the market shrugged it off and new highs are now being set. He further discussed market performance, noting there was an 8 1/2 % difference in performance between large and small cap stocks which has only happened twice in the last ten years. He further reviewed performance of the Retiree Healthcare System portfolio.

Green advised with the close of the calendar year there are no recommended changes from an asset allocation or manager-by-manager standpoint. He noted some of the worst performers in the third quarter are now some of the best performers in the fourth quarter.

Motion by Pastue, seconded by Weber, to accept the Summary and Quarterly Reports for quarter ending September 30, 2014; and receive and file the MSSB Graystone Consulting report for quarter ending September 30, 2014. MOTION CARRIED UNANIMOUSLY.

APPLICATION FOR RETIREE HEALTH CARE BENEFITS

Discussion was held regarding the need to add a provision to Retiree Healthcare contract that if an employee leaves and is eligible for coverage under a spouse or employer that coverage becomes the primary provider.

MOTION by Pastue, seconded by Weber, to approve applications from Richard Hennessy, Department of Public Safety, Terrance Purves, Department of Public Safety, and Robert Schulz, non-union employee, for retiree healthcare benefits at 100% of premium cost, eligibility verified by the City Treasurer's Office as meeting the requirements for a 100% paid healthcare benefit. MOTION CARRIED UNANIMOUSLY.

OTHER BUSINESS

No other business was heard.

MISCELLANEOUS

Public Comment

No public comment was heard.

Trustee Comment

No Trustee Comment was heard.

ADJOURNMENT

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

Meeting adjourned at 9:35 a.m.

Christopher M. Weber, Secretary

APPROVED: February 20, 2015