



500 West Big Beaver
Troy, MI 48084
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MINUTES

Retiree Healthcare Benefits Plan & Trust Board Meeting

February 8th, 2023 at 1:00 PM
City Council Boardroom
500 West Big Beaver Troy, Michigan 48084
(248) 524-3412

Roll Call

A meeting of the Retiree Health Care Benefits Plan and Trust Board of Trustees was held on **February 8th, 2023** in the City Council Boardroom.

The meeting was called to order at 12:51 PM. by Administrator Maleszyk.

Trustees Present: Kurt Bovensiep
Theresa Brooks
Peter Dungjen
Thomas Gordon II
Robert C. Maleszyk
Mark F. Miller

Trustees Absent: John Foster
Mark Owczarzak

Also Present: Thomas Michaud – VanOverbeke, Michaud & Timmony P.C.
Rebecca Sorensen - UBS Financial Management
Dee Ann Irby – Controller
Cynthia Pavella – Administrative Assistant

Public Comment

- None

Minutes from the November 9th, 2022 Meeting

Resolution # RHC- 2023-02-01

Moved by: Bovensiep

Supported by: Brooks

RESOLVED, that the Minutes of the November 9th, 2022 meeting be **APPROVED**.

Yeas: - 6 – (Bovensiep, Dungjen, Gordon, Brooks, Maleszyk, Miller)

Absent: - 1 – (Foster)

Motion Passes

Regular Business

- **Trustee reappointment terms ending December 31, 2025.**
 - Thomas Gordon was the only candidate to file for the Trustee position to represent employees on the Board. Therefore, his reappointment was affirmed by the City Clerk, with an expiration date of December 31, 2025.
 - Retiree representative Mark Owczarak (non-voting) was reappointed by City Council at their December 2, 2022 meeting. Mr. Owczarak's term expires on December 31, 2025.

- **Retiree Healthcare Benefits Plan & Trust Review.**
 - Attorney Michaud stated that he is still working on RHC Plan review.

- **\$2 million transfer to General Fund to cover health care costs.**
 - Maleszyk stated at the present time, the Finance Department is gathering data for the bi-annual actuarial report.
 - He asked the Board's approval to transfer \$2 million to the General Fund to shore up the health care budget.
 - Bovensiep said employee contributions used to be enough to cover the costs of healthcare, however now there is an imbalance.
 - Maleszyk reported that the liability is \$130M, but the portfolio is valued at \$112M.

Resolution # RHC – 2023-02-03

Moved by: Bovensiep

Supported by: Miller

RESOLVED, that \$2 million be transferred from the Retiree Health Care Trust to the General Fund to cover health care costs be **APPROVED**.

Yeas: - 6 – (Bovensiep, Brooks, Dungjen, Gordon, Maleszyk, Miller)

Absent: - 1 – (Foster)

Motion Passes

Investments

- **UBS Financial Services – Rebecca Sorensen**
 - Sorensen reviewed the Asset Allocation Review as of December 31, 2022 shows 23.95% in Fixed Income, 0.74% in Cash and 75.31% in Equity. Total Portfolio is \$105,698,085.28.
 - Sorensen announced that the marked rebounded during the 4th QT of 2022 and had a strong performance in January 2023.

- She stated that the markets will remain vulnerable in the first half of 2023 due to continued uncertainty with interest rates, the labor market, and the ongoing conflict in Ukraine.
- As we move into the latter half of 2023 Sorensen anticipates that the market will begin to stabilize and Equities will see improvement.
- Sources of portfolio value as of January 31, 2023 shows net time-weighted ROR at 6.48% MTD and (-6.50%) YTD.
- There are no recommendations for change at this time, however they will continue to watch Loomis.

Other Business

- None.

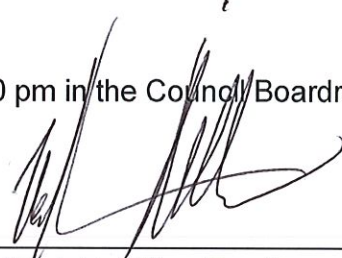
Adjourn

The meeting was adjourned at 1:05 PM.

The next meeting is Wednesday, May 10th, 2023 at 1:00 pm in the Council Boardroom.



Robert C. Maleszyk, Administrator



Mark F. Miller, Trustee

