# Michigan Health Endowment Fund Board Meeting
# May 13, 2021

Zoom Meeting

*The mission of the Michigan Health Endowment Fund is to improve the health of Michigan residents, with special emphasis on the health and wellness of children and seniors, while reducing the cost of health care.*

1:00 p.m. - 1:10 p.m. **Opening: Sue Jandernoa**

- Call to order of board meeting
- Roll call
- Review of agenda, page 1-2
- Review of February 11, 2021 minutes, pages 3-6
- Chair's report

1:10 p.m. – 1:15 p.m. **Public Comment**

Public Comment: Five-minute limitation for a single representative of an organization; three minutes for individuals representing themselves

1:15 p.m. – 1:20 p.m. **CEO Report: Paul Hillegonds**

1:20 p.m. – 1:40 p.m. **Approval of Strategic Plan: Sue Jandernoa**

1:40 p.m. – 1:50 p.m. **Audit Committee: Keith Pretty**

- Audit Committee Report, page 7
- Status of 2020 tax return filing
- Resolution to accept 2020 audited financial statements, page 8

1:50 p.m. – 2:00 p.m. **Treasurer's Report: Keith Pretty**

- Treasurer's and Investment Committee Report, page 9
- Review of March 2021 financial statements, pages 12-18

2:00 p.m. – 2:30 p.m. **Grantmaking Committee: Rob Fowler**

- Consideration of Community Health Impact Grant program recommendations
- Consideration of rapid response Behavioral Health grant for TRAILS
- Consideration of rapid response vaccination grants

2:30 p.m. – 2:40 p.m. **Executive and Compensation Committee: Sue Jandernoa**

- Resolution authorizing new signers on bank accounts, page 25

2:40 p.m. **Adjourn**

Michigan Health Endowment Fund
Board Meeting
February 11, 2021
Zoom Meeting

Meeting Minutes

**Call to order:**
The board meeting of the Michigan Health Endowment Fund was called to order at 1:00 p.m. by Chairman Tim Damschroder.

**Roll call:**
A quorum was determined based on the presence of the following board members:

**Board Members present:**
Tim Damschroder
Sue Jandernoa
Rob Fowler
Michael Williams
Henry Veenstra
Tina Reynolds
Zaineb Hussein
Kathy Boles

**Others present:**
Paul Hillegonds
Terry Gardner
Julie Skubik
Duane Tarnacki

**Approval of agenda:**
Chairman Damschroder asked if there were any comments regarding the agenda, which was approved without objection.

**Review and approval of the minutes from the previous meetings**
Board Member Williams moved to approve the minutes from the November 12, 2021 board meeting. Board Member Veenstra seconded. Motion passed eight to zero.

**Public Comment**
There was no public comment.

**Chairman's Report**

Chairman Damschroder thanked the board for their participation in the strategic planning review session that was held prior to the meeting. Mr. Damschroder reported the final strategic plan should be complete in May 2021. Mr. Damschroder reported that this was his final meeting as board chairman and thanked the board members and staff for their support.

**CEO Report:**
Mr. Hillegonds thanked Mr. Damschroder for his leadership. He also thanked the board members for their continuing guidance and support of the strategic planning process. Mr. Hillegonds announced that Janet Olszewski will be retiring from the Health Fund in February and he thanked Janet for her leadership and support. Mr. Hillegonds reported on the timeline for the upcoming grant cycles and reported on recent grant successes.

**Election of Officers**:
Chairman Damschroder moved to nominate the following slate of officers. Mr. Williams seconded:

- Chair: Sue Jandernoa
- Vice Chair: Rob Fowler
- Treasurer: Keith Pretty
- Secretary: Michael Williams

The motion passed eight to zero.

**Appointment of Board Committees**
Ms. Jandernoa moved to nominate the following board members to committees. Mr. Fowler seconded.

Executive and Compensation Committee
- Sue Jandernoa - Chair
- Rob Fowler - Vice Chair
- Keith Pretty - Treasurer
- Michael Williams - Secretary

Grantmaking Committee – Behavioral Health, Healthy Aging, Special Projects and Emerging Ideas
- Rob Fowler – Chair
- Kathy Boles- Vice Chair
- Tina Reynolds
- Tim Damschroder
- Keith Pretty
- Sue Jandernoa

Grantmaking Committee- Nutrition and Healthy Lifestyles and Community Health Impact

- Rob Fowler- Chair
- Tina Reynolds- Vice Chair
- Zaineb Hussein
- Michael Williams
- Henry Veenstra
- Sue Jandernoa

Governance Committee

- Tina Reynolds-Chair
- Michael Williams
- Henry Veenstra
- Zaineb Hussein

Investment and Audit Committees

- Keith Pretty-Chair
- Tim Damschroder
- Henry Veenstra
- Jon Braeutigam (Investment only)

The motion passed eight to zero.

**Program Successes:**
Mr. Gardner along with Health Fund program directors, presented several successful grants and projects, primarily related to our partnership with the State of Michigan through the Special Projects and Emerging Ideas grant rounds.

**Investment Committee**
Mr. Gardner reviewed the yearend financial statement. He reported that the committee will be meeting with advisors in March to review the investment portfolio in preparation for receiving the 2021 contribution from Blue Cross Blue Shield of Michigan.

Next, the Mr. Gardner described the resolution to release Medigap reserves related to the 2020 subsidy program. The following motion was made by Mr. Fowler and seconded by Mr. Williams:

WHEREAS, at the Health Fund's Board meetings held on January 23, 2017 and January 25, 2016, the board designated $40 million of its accumulated Spendable Account to be reserved and designated to the Health Fund's Medicare Supplemental Insurance Subsidy ("Medigap") program, and that $24,500,000 remains so restricted at December 31, 2020

NOW, THEREFORE, BE IT RESOLVED that $7,000,000 of the Medigap reserve be and it hereby is released from that restriction and made available so that the funds can be used in furtherance of the Medigap program for the 2021 calendar year.

The motion passed eight to zero.

**Audit Committee**
Mr. Gardner reported that the 2020 audit is in process. The fieldwork has been completed by George Johnson & Company. The auditors plan to formally present the audited financial statements and the results of their work at the Audit Committee meeting, which will be scheduled once timing becomes clearer.

**Executive and Compensation Committee**
Chairman Damschroder asked Mr. Gardner to describe the proposed 2021 budget revisions. Mr. Gardner outlined the changes in the budget which were primarily related to the balance between grantmaking and non-grantmaking support.

The following motion was made by Mr. Damschroder and seconded by Mr. Veenstra:

> RESOLVED, that the amended budget for 2021, as presented to the Board, be, and it hereby is, ratified, adopted and approved.

The motion passed eight to zero.

**Adjournment**
The meeting was adjourned at 2:03 p.m.

Respectfully submitted,

_____
Julie Skubik
Secretary of the meeting

MICHIGAN HEALTH ENDOWMENT FUND

To: Health Fund Board of Directors
From: Keith Pretty
Date: May 13, 2021
Re: Audit Committee Report

The Audit Committee met on May 4, 2021 to receive the 2020 audit from George Johnson & Co. ("GCJC"). Representatives from GCJC presented the results of their audit of the 2020 financial statements and the Health Fund's internal controls to the Audit Committee. Their audit resulted in a "clean" audit opinion and they noted no internal control issues which needed attention. They walked the committee through changes in the financial statements and upcoming pronouncements. The committee voted to accept the audit, and we expect the financial statements to be formally issued in May, at which time they will be posted to the Health Fund's website.

The tax return will be extended to later in the summer due to the need to obtain proper tax information for the partnerships in which the fund is invested.

**MICHIGAN HEALTH ENDOWMENT FUND**

**RESOLUTION**
**TO ACCEPT 2020 AUDITED FINANCIAL STATEMENTS**

WHEREAS, the 2020 audited financial statements of Michigan Health Endowment Fund, as presented by George Johnson and Company and accepted by the Audit Committee have been submitted to the Board of Directors;

BE IT RESOLVED, that the 2020 audited financial statements as presented at the meeting be, and they hereby are, accepted.

MICHIGAN HEALTH ENDOWMENT FUND

**TO:** Health Fund Board Members
**FROM:** Keith Pretty
**DATE:** May 13, 2021
**RE:** Investment Report

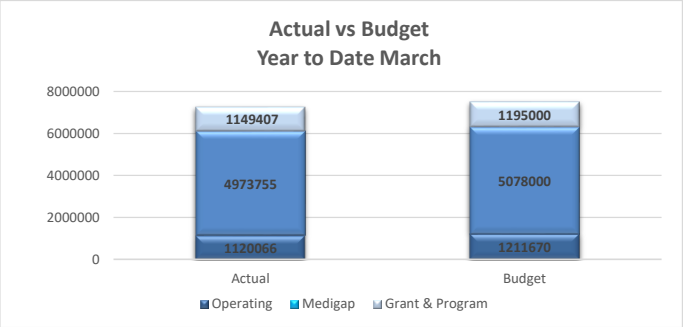
The Investment Committee met with our advisors on March 29th to review the portfolio in preparation for receiving the 2021 contribution from Blue Cross Blue Shield of Michigan, as well as to review the portfolio allocations and consider the progress of the Health Fund's private equity allocations.

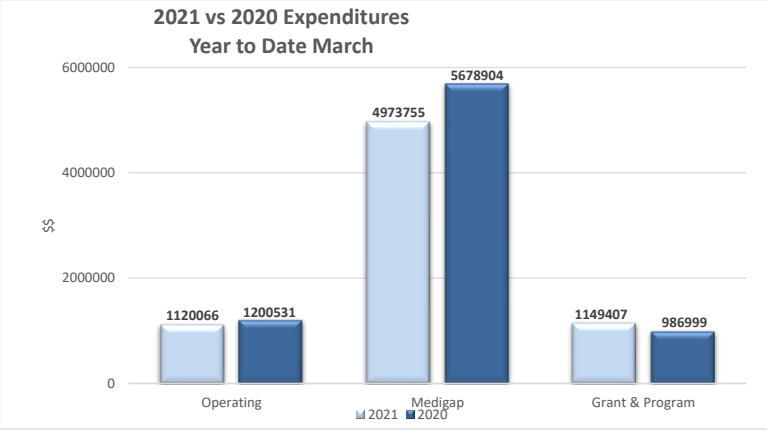
Overall, the endowment portfolio has increased $100 million since March 31, 2020. This represents a $28 million allocation of the 2020 Blue Cross Blue Shield of Michigan contribution, as well as the strong market rebound from the initial COVID shock in March 2020. The committee approved staff's recommendation for specific investment of the $28 million 2021 endowment allocation which was expected to be substantially completed in April.

The operating portfolio was also reviewed noting the depressed level of rates. We were expecting the annual Blue Cross contribution of approximately $58 million for programs and administration (which was subsequently received later in the day on March 29th). Staff discussed the plan for the investment of these funds, including the recommendation of an outside manager for $10 million for a slightly longer duration sleeve of the portfolio.

The committee approved a private equity allocation to a Michigan-based manager as well as completing a review and update of the Statement of Investment Policies.

## Financial Metrics




## Grant Making

updated 4/30/2021

| | Concept Papers | Applications | | Awards | |
|---|---|---|---|---|---|
| **2021** | # | # | $ | # | $ |
| Nutrition and Healthy Lifestyles | 64 | 34 | $13,200,766 | | |
| Community Health Impact | 232 | 132 | $10,897,071 | | |
| Behavioral Health | 142 | 68 | $27,344,799 | | |
| Healthy Aging | | | | | |
| Special Projects | | | | | |
| BH Racial Disparities | | 11 | $2,077,260 | | |

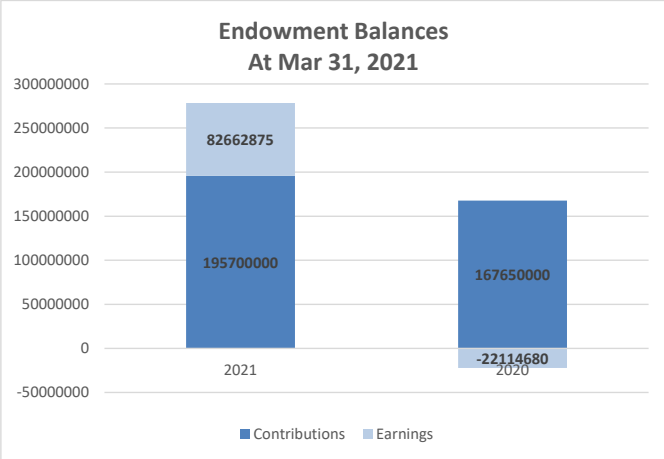
Applications are generally down in 2021. We believe that this is part COVID related. As well as due to the amount of Federal $ being directed, causing less grantee capacity to do other programming. We are monitoring.

| **2020** | # | # | $ | # | $ |
|---|---|---|---|---|---|
| Nutrition and Healthy Lifestyles | 86 | 51 | $19,828,112 | 19 | $7,911,810 |
| Community Health Impact | 278 | 160 | $12,462,463 incl. Flinn | 74 | $5,654,481 |
| Behavioral Health | 121 | 81 | $33,920,168 | 21 | $6,953,545 |
| Healthy Aging | 123 | 90 | $29,497,332 | 27 | $8,712,676 |
| Special Projects | 23 | 14 | $5,949,384 | 12 | $4,372,218 |
| SPEI Telehealth | 0 | 63 | $2,980,228 | 50 | $2,400,352 |
| | **631** | **459** | **$101,657,459** | **153** | **$33,604,730** |

| **2019** | # | # | $ | # | $ |
|---|---|---|---|---|---|
| Nutrition and Healthy Lifestyles | 104 | 48 | $16,999,277 | 19 | $8,173,206 |
| Community Health Impact | 260 | 151 | $12,856,000 | 50 | $4,192,914 |
| Behavioral Health | 109 | 65 | $24,563,743 | 20 | $7,254,761 |
| Healthy Aging | 109 | 55 | $15,168,015 | 25 | $7,891,387 |
| Special Projects | 34 | 21 | $8,822,012 | 14 | $5,837,647 |
| | **616** | **340** | **$78,409,047** | **128** | **$33,349,915** |

Michigan Health Endowment Fund
Investment Dashboard Statistics
March 31, 2021

## Endowment Portfolio



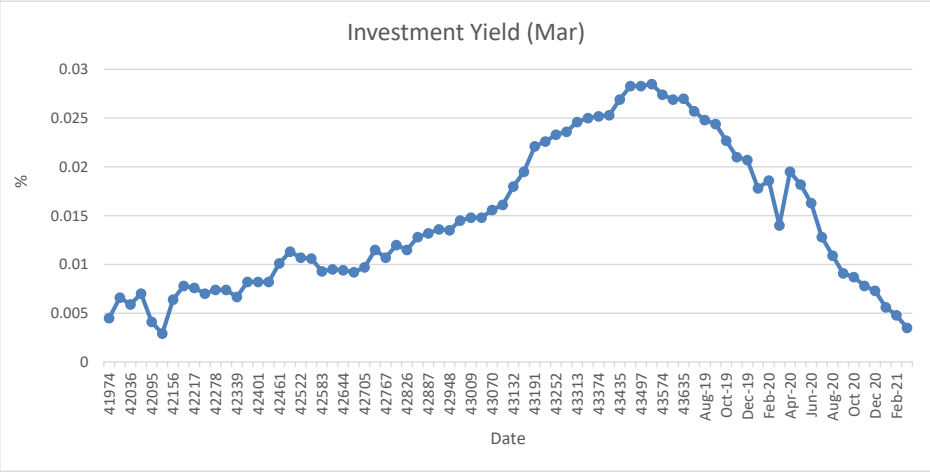

Asset Allocation @ 03-31-21

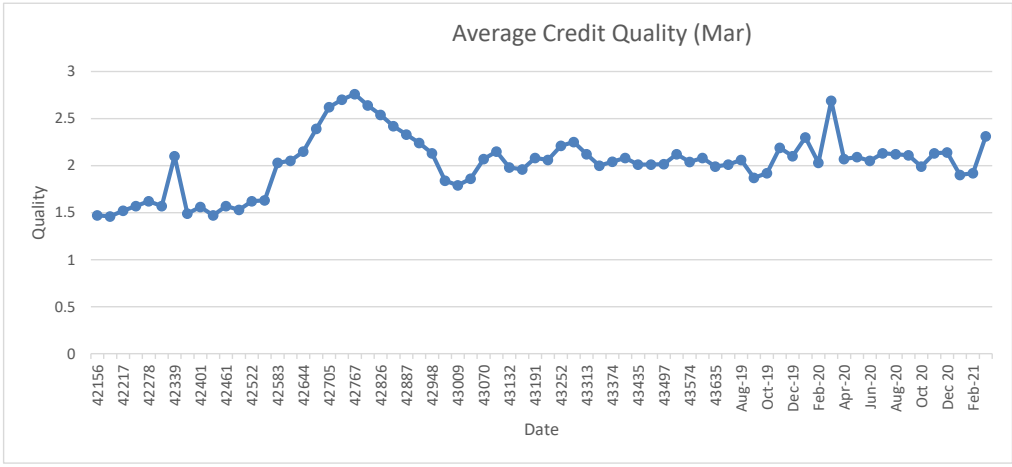
| | Actual | Target | Difference |
|---|---|---|---|
| US Equity | 37.6% | 34% | 3.6% |
| Foreign Developed | 21.8% | 21% | 0.8% |
| Emerging Markets | 8.0% | 6% | 2.0% |
| Real/Diversified | 9.1% | 9% | 0.1% |
| Fixed Income* | 16.0% | 15% | 1.0% |
| Private Equity | 7.6% | 15% | -7.4% |
| | 100.0% | 100.00% | |

* includes cash and receivables

| | | Actual | Benchmark |
|---|---|---|---|
| Performance | YTD | 4.79% | 4.18% |
| | 3 yrs (ann.) | 10.10% | 10.53% |

## Operating Portfolio



**Michigan Health Endowment Fund**
**Statement of Financial Position**
**March 31, 2021 and 2020**

| | 2021 | | 2020 | |
|---|---|---|---|---|
| | **OPERATING** | **ENDOWMENT** | **OPERATING** | **ENDOWMENT** |
| **ASSETS** | | | | |
| **Current assets** | | | | |
| Checking - Chemical Bank | $ 40,522,166 | | $ 69,949,096 | |
| Huntington Investments, at FMV | 63,239,613 | | 66,617,129 | |
| Northern Trust Investments | | $ 278,163,093 | | $ 145,398,150 |
| Accrued interest receivable | 256,082 | 199,782 | 270,085 | 137,170 |
| Prepaid expenses | 1,189,966 | | 1,776,639 | |
| Accounts receivable - other | | | | |
| **Total current assets** | 105,207,827 | 278,362,875 | 138,612,949 | 145,535,320 |
| **Furniture and equipment, net of depreciation** | 281,068 | | 295,098 | |
| **Other assets** | | | | |
| Security Deposits | 844 | | 844 | |
| | $ 105,489,739 | $ 278,362,875 | $ 138,908,891 | $ 145,535,320 |
| **LIABILITIES AND NET ASSETS** | | | | |
| **Current liabilities** | | | | |
| Accounts payable and accrued expenses | $ 557,652 | | $ 485,609 | |
| Other current liabilities | 293,896 | | 273,563 | |
| **Total current liabilities** | 851,548 | | 759,172 | |
| **Other liabilities** | | | | |
| Grants payable | 13,715,965 | | 13,081,233 | |
| **Total liabilities** | 14,567,513 | | 13,840,405 | |
| **Net assets** | | | | |
| Without donor restriction | | | | |
| Undesignated | 23,676,464 | $ 101,939,770 | 23,304,797 | $ 65,875,445 |
| Designated | 17,500,000 | | 24,500,000 | |
| Current Year Income | 49,745,762 | 35,761,187 | 77,263,689 | (32,440,125) |
| Total Net Assets Without Donor Restriction | 90,922,226 | 137,700,957 | 125,068,486 | 33,435,320 |
| With donor restriction | | | | |
| Endowment Funds | | 138,150,000 | | 110,100,000 |
| Healthy Aging Initiative | | 2,511,918 | | 2,000,000 |
| Current Year Income | | - | | |
| Total Net Assets With Donor Restriction | - | 140,661,918 | - | 112,100,000 |
| **Total net assets** | 90,922,226 | 278,362,875 | 125,068,486 | 145,535,320 |
| | 105,489,739 | 278,362,875 | 138,908,891 | 145,535,320 |

**Michigan Health Endowment Fund**
**Statement of Activities**
**For the three months ending March 31, 2021 and 2020**

| | 2021 | | | 2020 | |
|---|---|---|---|---|---|
| | Operating | Endowment | Total | Total | $ Change |
| **Revenue** | | | | | |
| Direct Public Support | $ 85,000,000 | $ - | $ 85,000,000 | $ 85,000,000 | $ - |
| Investment income | 38,990 | 8,223,105 | 8,262,095 | (32,310,002) | 40,572,097 |
| **Total revenue** | 85,038,990 | 8,223,105 | 93,262,095 | 52,689,998 | 40,572,097 |
| **Expenses** | | | | | |
| Grants awarded | (316,280) | | (316,280) | (1,840) | (314,440) |
| Medigap subsidy | 4,598,236 | | 4,598,236 | 5,212,725 | (614,489) |
| Medigap servicing | 375,519 | | 375,519 | 466,179 | (90,660) |
| Grant program support | 1,465,687 | | 1,465,687 | 988,839 | 476,848 |
| Legal and accounting fees | 6,524 | | 6,524 | 23,043 | (16,519) |
| Outside contract services | 187,627 | | 187,627 | 240,288 | (52,661) |
| Salaries and benefits | 805,200 | | 805,200 | 824,858 | (19,658) |
| Office related expenses | 55,274 | | 55,274 | 53,938 | 1,336 |
| Insurance expense | 6,825 | | 6,825 | 8,169 | (1,344) |
| Office supplies and misc | 21,349 | | 21,349 | 21,712 | (363) |
| Membership and dues | 30,814 | | 30,814 | 18,425 | 12,389 |
| Travel and meetings | 6,453 | | 6,453 | 10,098 | (3,645) |
| **Total expenses** | 7,243,228 | - | 7,243,228 | 7,866,434 | (623,206) |
| **Other Income (Expense)** | | | | | |
| Transfer to Endowment | (28,050,000) | 28,050,000 | - | - | - |
| **Change in net assets** | $ 49,745,762 | $ 36,273,105 | $ 86,018,867 | $ 44,823,564 | $ 41,195,303 |

**Michigan Health Endowment Fund**
**Statement of Activities - Operating Fund - Budget vs Actual**
**For the three months ending March 31, 2021**

| | Actual One Month Ending 3/31/21 | Budget One Month Ending 3/31/21 | $ Over (Under) Budget | Actual Three Months Ending 3/31/21 | Budget Three Months Ending 3/31/21 | $ Over (Under) Budget |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Direct Public Support | $ 85,000,000 | $ 85,000,000 | $ - | $ 85,000,000 | $ 85,000,000 | $ - |
| Investment income | 18,008 | 15,000 | 3,008 | 38,990 | 45,000 | (6,010) |
| **Total revenue** | 85,018,008 | 85,015,000 | 3,008 | 85,038,990 | 85,045,000 | (6,010) |
| **Expenses** | | | | | | |
| Grants awarded | (271,580) | - | (271,580) | (316,280) | - | (316,280) |
| Medigap subsidy | 1,494,086 | 1,550,000 | (55,914) | 4,598,236 | 4,700,000 | (101,764) |
| Medigap servicing | 125,173 | 126,000 | (827) | 375,519 | 378,000 | (2,481) |
| Grant program support | 889,497 | 305,000 | 584,497 | 1,465,687 | 1,195,000 | 270,687 |
| Legal and accounting fees | 4,746 | 9,500 | (4,754) | 6,524 | 20,500 | (13,976) |
| Outside contract services | 50,398 | 68,100 | (17,702) | 187,627 | 228,700 | (41,073) |
| Salaries and benefits | 283,633 | 268,260 | 15,373 | 805,200 | 821,470 | (16,270) |
| Office related expenses | 18,323 | 19,000 | (677) | 55,274 | 57,000 | (1,726) |
| Insurance expense | 2,275 | 4,000 | (1,725) | 6,825 | 12,000 | (5,175) |
| Office supplies and misc | 8,475 | 8,900 | (425) | 21,349 | 28,000 | (6,651) |
| Membership and dues | - | 2,000 | (2,000) | 30,814 | 32,000 | (1,186) |
| Travel and meetings | 3,789 | 4,000 | (211) | 6,453 | 12,000 | (5,547) |
| **Total expenses** | 2,608,815 | 2,364,760 | 244,055 | 7,243,228 | 7,484,670 | (241,442) |
| **Other Income (Expense)** | | | | | | |
| Transfer (to) from Endowment | (28,050,000) | (28,050,000) | - | (28,050,000) | (28,050,000) | - |
| **Change in net assets** | $ 54,359,193 | $ 54,600,240 | $ (241,047) | $ 49,745,762 | $ 49,510,330 | $ 235,432 |

# The Michigan Health Endowment Fund
# Endowment Portfolio Holdings
# March 31,2021
(unaudited)

| Asset Description | Country/Region | Market Value | Cost | Unrealized G/L Total | % of Total |
|---|---|---|---|---|---|
| VANGUARD INSTL TOTAL INDEX | United States | 85,226,081 | 53,494,973 | 31,731,108 | 30.62% |
| ARISTOTLE CAPITAL MANAGEMENT | United States | 10,164,110 | 8,148,117 | 2,015,993 | 3.65% |
| POLEN CAPITAL | United States | 9,280,640 | 8,074,818 | 1,205,822 | 3.33% |
| VANGUARD DEVELOPED MARKETS INDEX, INSTL | International Region | 52,563,596 | 42,817,211 | 9,746,385 | 18.88% |
| BURGUNDY ASSET MANAGEMENT | International Region | 8,043,668 | 6,103,831 | 1,939,837 | 2.89% |
| GLOBAL EMERGING MARKETS FUND - STEWART | Emerging Markets Region | 8,687,358 | 7,278,466 | 1,408,892 | 3.12% |
| DFA EMERGING MARKETS-VALUE | Emerging Markets Region | 13,478,318 | 12,772,498 | 705,820 | 4.84% |
| T ROWE PRICE NEW ERA FUND | Real Assets - Global | 8,173,295 | 7,524,920 | 648,375 | 2.94% |
| MFS GLOBAL REAL ESTATE FUND | Real Estate - Global | 8,342,898 | 7,950,000 | 392,898 | 3.00% |
| LAZARD FDS INC GLOBAL LISTED INFRASTRUCTURE | International Region | 8,712,304 | 8,290,912 | 421,392 | 3.13% |
| PRIVATE EQUITY | | 21,109,426 | 15,538,560 | 5,570,866 | 7.58% |
| LONGFELLOW | Fixed Income - U.S. | 39,149,199 | 39,021,051 | 128,148 | 14.06% |
| CASH, RECEIVABLES AND OTHER | | 5,431,982 | 5,431,982 | - | 1.95% |
| | | 278,362,875 | 222,447,339 | 55,915,536 | 100.00% |

**MICHIGAN HEALTH ENDOWMENT FUND**
**OPERATING PORTFOLIO HOLDINGS**
**MARCH 31,2021**

| Description | Industry | Credit Rating | Maturity | Yield | Market Value | Principal Cost | $ Gain/Loss |
|---|---|---|---|---|---|---|---|
| **CASH AND EQUIVALENTS** | | | | | | | |
| FIDELITY GOVT MMKT | Money Market Fund | AAA | Daily | 0.03% | $ 10,589,763.71 | $ 10,589,763.71 | $ - |
| | | | | | $ 10,589,763.71 | $ 10,589,763.71 | $ - |
| **ASSET BACKED** | | | | | | | |
| GNMA 2020-134 AB | Government | AAA | 1.42 Years | 2.15% | $ 298,546.92 | $ 254,501.31 | $ 44,045.61 |
| GNMA 2011-73 KB | Government | AAA | 1.68 Years | 1.92% | $ 985,907.18 | $ 989,658.16 | $ (3,750.98) |
| | | | | | $ 1,284,454.10 | $ 1,244,159.47 | $ 40,294.63 |
| **COMMERCIAL PAPER** | | | | | | | |
| HARLEY DAVIDSON | Auto Manufacturing | A2 / P2 | 4/6/2021 | 0.67% | $ 1,014,967.85 | $ 1,009,756.84 | $ 5,211.01 |
| GLENCORE | Mining | A2 / P2 | 4/8/2021 | 0.42% | $ 999,957.77 | $ 997,370.27 | $ 2,587.50 |
| CNPC FINANCE | Exploration & Production | A1 / P1 | 4/12/2021 | 0.23% | $ 1,023,935.14 | $ 1,023,784.15 | $ 150.99 |
| SINOPEC CENTURY OIL | Exploration & Production | A1 / P1 | 4/22/2021 | 0.24% | $ 550,936.02 | $ 550,706.29 | $ 229.73 |
| BCI BANK | Banks | A1 / P1 | 5/5/2021 | 0.27% | $ 1,199,778.32 | $ 1,198,382.18 | $ 1,396.14 |
| MARATHON PETROLEUM | Pipeline | A2 / P2 | 5/7/2021 | 0.30% | $ 3,499,316.52 | $ 3,498,892.02 | $ 424.50 |
| BANK OF CHINA | Banks | A1 / P1 | 5/12/2020 | 0.32% | $ 1,260,749.89 | $ 1,259,287.37 | $ 1,462.52 |
| WALT DISNEY | Entertainment Content | A1 / P2 | 5/17/2021 | 0.35% | $ 2,499,445.13 | $ 2,492,947.04 | $ 6,498.09 |
| ARABELLA FINANCE | Financial Services | A2 / P1 | 7/7/2021 | 0.17% | $ 1,757,138.58 | $ 1,756,996.07 | $ 142.51 |
| GLENCORE | Mining | A2 / P2 | 8/5/2021 | 0.20% | $ 599,619.00 | $ 599,443.85 | $ 175.15 |
| SINOPEC CENTURY OIL | Exploration & Production | A1 / P1 | 8/10/2021 | 0.26% | $ 1,749,844.34 | $ 1,748,916.65 | $ 927.69 |
| BANK OF CHINA | Banks | A1 / P1 | 8/16/2021 | 0.21% | $ 564,610.15 | $ 564,367.91 | $ 242.24 |
| AT&T | Wireless Provider | A2 / P2 | 8/17/2021 | 0.21% | $ 1,946,646.14 | $ 1,945,716.75 | $ 929.39 |
| INTERCONTINENTAL EXCHANGE | Financial Services | A2 / P2 | 9/23/2021 | 0.25% | $ 299,721.33 | $ 299,477.99 | $ 243.34 |
| HSBC | Banks | A2 / P1 | 10/22/2021 | 0.25% | $ 490,468.76 | $ 490,091.29 | $ 377.47 |
| AT&T | Wireless Provider | A2 / P2 | 11/18/2021 | 0.27% | $ 413,466.40 | $ 413,101.50 | $ 364.90 |
| CATHOLIC HEALTH | Healthcare Facilities | A2 / P2 | 11/18/2021 | 0.20% | $ 2,996,133.33 | $ 2,996,138.31 | $ (4.98) |
| CHINA CONSTRUCTION BANK | Construction | A1 / P1 | 11/23/2021 | 0.21% | $ 427,436.47 | $ 427,359.32 | $ 77.15 |
| | | | | | $ 23,294,171.14 | $23,272,735.80 | $ 21,435.34 |
| **CORPORATE BONDS** | | | | | | | |
| DEUTSCHE BANK | Banks | Baa3 / BBB- | 5/12/2021 | 0.37% | $ 861,456.74 | $ 861,933.93 | $ (477.19) |
| NORDEA BANK | Banks | Baa1 / A- | 5/13/2021 | 1.16% | $ 653,074.50 | $ 652,873.83 | $ 200.67 |
| STATE GRID CORP | Utilities | A1 / A+ | 5/18/2021 | 0.62% | $ 909,534.52 | $ 909,817.94 | $ (283.42) |
| MICROCHIP | Technology | Baa3 / BBB- | 6/1/2021 | 0.33% | $ 2,665,317.00 | $ 2,666,150.68 | $ (833.68) |
| BARCLAYS | Banks | Baa3 / BBB- | 6/12/2021 | 0.41% | $ 842,216.76 | $ 844,146.22 | $ (1,929.46) |
| MYLAN | Pharmaceuticals | Baa3 / BBB- | 6/15/2021 | 0.85% | $ 4,735,918.36 | $ 4,743,103.83 | $ (7,185.47) |
| MARSH & MCLENNAN | P&C Insurance | Baa1 / A- | 7/15/2021 | 0.21% | $ 675,297.00 | $ 680,529.98 | $ (5,232.98) |
| DOMINION ENERGY | Utilities | Baa3 / BBB | 8/15/2021 | 0.22% | $ 2,117,472.00 | $ 2,119,627.83 | $ (2,155.83) |
| NACF BANK | Banks | A1 / A+ | 9/12/2021 | 0.38% | $ 2,177,015.75 | $ 2,179,538.51 | $ (2,522.76) |
| CENTRAL NIPPON EXPRESSWAY LTD | Construction | A1 / AA+ | 9/14/2021 | 0.19% | $ 759,077.00 | $ 761,525.83 | $ (2,448.83) |
| TRINITY PLC | P&C Insurance | Baa3 / BBB | 9/15/2021 | 0.47% | $ 750,920.38 | $ 752,383.95 | $ (1,463.57) |
| DEUTSCHE BANK | Banks | Baa3 / BBB- | 10/14/2021 | 0.40% | $ 509,495.00 | $ 510,350.56 | $ (855.56) |
| BG ENERGY CO | Exploration & Production | Aa3 / AA- | 10/15/2021 | 0.20% | $ 1,976,646.60 | $ 1,979,886.56 | $ (3,239.96) |
| GENERAL MOTORS | Auto Manufacturing | Baa3 / BBB | 1/14/2022 | 0.33% | $ 2,448,144.00 | $ 2,453,720.74 | $ (5,576.74) |
| BROADCOM CORP | Technology | Baa3 / BBB- | 1/15/2022 | 0.40% | $ 910,939.95 | $ 911,788.16 | $ (848.21) |
| CHINA DEVELOPMENT BANK | Banks | A1 / A+ | 1/24/2022 | 0.35% | $ 1,869,200.80 | $ 1,874,032.90 | $ (4,832.10) |
| ENERGY TRANSFER PARTNERS | Pipeline | Baa3 / BBB- | 2/1/2022 | 0.38% | $ 1,128,358.00 | $ 1,133,339.97 | $ (4,981.97) |
| AMERICAN TOWER CORP | Wireless Provider | Baa3 / BBB- | 3/15/2022 | 0.33% | $ 2,081,140.00 | $ 2,083,557.03 | $ (2,417.03) |
| | | | | | $ 28,071,224.36 | $28,118,308.45 | $ (47,084.09) |
| | | | **TOTAL:** | | **$63,239,613.31** | **$63,224,967.43** | **$ 14,645.88** |

**Resolution Authorizing Signatories to the Health Fund's Bank Accounts**

RESOLVED, that the chairperson, treasurer, president/chief executive officer, and chief financial officer/chief operating officer of Michigan Health Endowment Fund (the "Fund") be, and they hereby are, authorized to execute and deliver on behalf of the Fund such printed resolutions as they shall determine to be necessary or desirable to establish depository banking resolutions with such financial institutions as they deem appropriate, which shall name the chairperson, treasurer, president/chief executive officer, and chief financial officer/chief operating officer as "Authorized Signers" on such depository bank account, and such resolutions, when executed and delivered, will be deemed to be adopted by the Board of Directors of the Fund as if set forth herein;

FURTHER RESOLVED, that any Authorized Signer may take for and on behalf of the Fund any of the following actions with respect to any such depository account: the signing (by facsimile or actual signature) of checks, drafts, acceptances and other instruments and orders for the payment or withdrawal of monies, credits, items and property at any time held by such depository for the account of the Fund and any transfers between Fund accounts, and such depository is hereby authorized to honor any and all thereof without inquiry as to the circumstances of the issue or the disposition of the proceeds thereof and without limit as to amount, provided such instruments and orders not effecting transfers between Fund accounts in amounts over $5,000 bear the signatures of two Authorized Signers, and for instruments and orders not effecting transfers between Fund accounts in amounts over $500,000 bear the signatures of two Authorized Signers, one of whom must be the treasurer or chairperson;

FURTHER RESOLVED, that as of the date of adoption of these resolutions the following individuals have been duly elected or appointed to serve in the position opposite their respective names:

| **Name** | **Title** |
|---|---|
| Susan Jandernoa | Chairperson |
| Keith Pretty | Treasurer |
| Paul Hillegonds | President/Chief Executive Officer |
| Terry Gardner | Chief Financial Officer/Chief Operating Officer |