A meeting of the Employees' Retirement System Board of Trustees was held on **May 14, 2014** at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 12:10 p.m.

Trustees Present:	Mark Calice Thomas J. Gordon, II Thomas Darling, CPA Steve Pallotta Dave Henderson William R. Need (Ex-Officio) Brian Kischnick
Trustees Absent:	Milton Stansbury
Also Present:	Brenda Carter Bryan Martin

Minutes

Resolution # ER – 2014-05-14

Moved by: Pallotta
Seconded by: Gordon

RESOLVED, The Minutes of the April 9, 2014 meeting be approved with correction of next meeting from May 7, 2014 to May 14, 2014.

Yeas: 6
Absent: 1

Retirement Requests

None

Other Business – Graystone Recommendation Review of Fixed Income Managers

Graystone Consulting reviewed packet that included potential fixed income managers by category, history and performance of potential manager and criteria for final recommendation.

Resolution # ER – 2014-05- 15
Motion by: Darling
Supported by: Henderson

RESOLVED, Board approve fixed income managers and allocations as recommended by Graystone Consulting. This includes Reinhart Partners Active Intermediate Fund 14%, Franklin Templeton Global Total Return 5%, Loomis Sayles Bond 5%, JP Morgan Strategic Income 5%

Vote called:

Yeas: Henderson, Gordon, Darling, Pallotta, Kischnick
Nays: Calice
Absent: Stansbury

Other Business – Graystone Approval of Investment Policy

Graystone Consulting reviewed final edited version of investment policy. The version offered the Board a choice of recommended target / Range presentations. Option A included a broader category of "Global" equity with subcategories for domestic and international equities. Option B identified domestic and international equities as separate stand alone categories.

Resolution # ER – 2014-05- 16
Motion by: Gordon
Supported by: Pallotta

RESOLVED, The Board accepted the investment policy as presented using option "A" to identify Recommended Target / Ranges.

Vote called:

Yeas: Henderson, Gordon, Darling, Pallotta, Kischnick, Calice
Absent: Stansbury

Other Business – Discussion on Changes to Chapter 10 as Presented by Trustee William Need

The Board reviewed and discussed a letter submitted by Trustee William Need. The letter proposed a change to City Code Chapter 10, section 2 that directs the size and representation on the Board of Trustees.

The letter proposes that Chapter 10, section 2. Item F call for: "Two retirees who are members in the Defined Benefit plan, who shall be appointed by the City Council, and shall serve as voting members."

Discussion amongst Board members resulted in tabling the item until the June board meeting to allow for Trustee consideration.

INVESTMENTS – IAS INVESTMENTS

No sale recommendations. Buy recommendation on hold as Board considers current allocation targets.

Public Comment

None

The next meeting is Wednesday June 11, 2014 at 12:00 p.m. at Troy City Hall, Council Board Conference Room, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting adjourned at 1:45 p.m.

Mark Calice, Chairman

Thomas Darling, Pension Administrator