

EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES MINUTES – Final – June 11, 2014

A meeting of the Employees' Retirement System Board of Trustees was held on **June 11, 2014** at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 12:11 p.m.

Trustees Present: Mark Calice
Thomas J. Gordon, II
Thomas Darling, CPA
Steve Pallotta
William R. Need (Ex-Officio)
Brian Kischnick

Trustees Absent: Milton Stansbury
Dave Henderson

Also Present: Brenda Carter
Bryan Martin

Minutes

Resolution # ER – 2014-06-17

Moved by: Pallotta
Seconded by: Kischnick

RESOLVED, The Minutes of the May 14, 2014 meeting be approved.

Yeas: 5
Absent: 2

Retirement Requests

None

Other Business – Graystone Domestic and International Equity Recommendations

Graystone Consulting reviewed packet that included potential equity managers by category, history and performance criteria for final recommendation.

Resolution # ER – 2014-06-18

Motion by: Gordon
Supported by: Pallotta

RESOLVED, Board approved Graystone Consulting recommendations for individual managers of which a copy will be attached to these minutes.

Yeas: 5
Absent: 2

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

The Board continued discussions of the letter presented by William Need (Ex Official) regarding voting representation of the board as defined in Chapter 10 section 2 "Board of Trustees". Options were discussed including status quo, adding a voting retiree representative and/or adding additional citizen representatives.

No motions were submitted or approved.

INVESTMENTS – TRANSFER \$7,000,000 FROM UBS TO GENERAL FUND FOR YEAR-END SETTLEMENT

Resolution # ER – 2014-06-19

Motion by: Calice

Supported by: Pallotta

RESOLVED, transfer request of \$3.5 million from UBS and \$3.5 million from Morgan Stanley to the General Fund for year-end settlement be approved.

Yeas: 5

Absent: 2

TRUSTEE KISHNICK IS EXCUSED AT 2:30PM

INVESTMENTS – IAS JUNE REPORT – SELL LABORATORY CORPORATION (5,000 SHARES).

Resolution # ER – 2014-06-20

Motion by: Calice

Supported by: Darling

RESOLVED, sale of 5,000 shares of Laboratory Corporation and use proceeds to buy 5,000 shares of CarMax (KMX) and 5,000 shares of Apple, Inc (AAPL).

Yeas: 4

Absent: 3

INVESTMENTS – UBS RECOMMENDATIONS

Resolution # ER – 2014-06-21

Motion by: Darling

Supported by: Pallotta

RESOLVED, recommendations of UBS be approved as follows:

- o Sell International equities:
 - Cohen & Steers
 - Voya Global Opportunities

EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES MINUTES – Draft – June 11, 2014

- Voya International Value
- Thornburg International
- Sell Southern Company – All positions (14,000 shares)
- Buy Fixed Income:
 - Loomis Sayles Investment Grade Bond Fund \$3.6 million
- Buy Equities
 - Russell 2000 ETF \$1 million
 - Franklin Small Cap Growth \$1 million
 - Nuveen NWQ Small Cap Value \$1million

Yeas: 4

Absent: 3

INVESTMENTS – HOMEWORK

Resolution # ER – 2014-06-22

Motion by: Pallotta

Supported by: Gordon

RESOLVED, Board approves sell all positions of: Gamestock, Coach, Brady Corporation. Board further approves sell of Bank of America @ \$16.90 per share. Board further approves buying 5,000 shares of Yahoo, 1,000 shares of Costco, 1,980 shares of DTV, 500 shares of Google C, 500 shares of Google A, 100 shares of Samsung and ~~100~~ 1000 shares of Amazon.

Yeas: 4

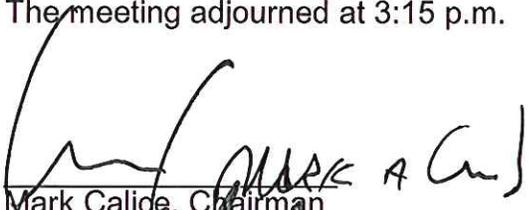
Absent: 3

Public Comment

None

The next meeting is Wednesday July 9, 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 3:15 p.m.


Mark Calide, Chairman


Thomas Darling, Pension Administrator