

MINUTES

500 West Big Beaver
Troy, MI 48084
troymi.gov

Employees' Retirement System Board Meeting

February 13th, 2019 at 12:00 PM
Troy City Hall Council Board Room
500 West Big Beaver Troy, Michigan 48084
(248) 524-3330

Roll Call

The monthly meeting for the Employees' Retirement System Board of Trustees was held on **February 13th, 2019** at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 12:09 PM.

Trustees Present: Mark Calice
Thomas Darling, CPA
Thomas Gordon II (arrived 1:02 PM)
Justin Novak
David Hamilton
Mark Miller
Milton Stansbury
Mark Owczarzak

Trustees Absent: None

Also Present: Amy Cole - Graystone Consulting
Tim Brice – Graystone Consulting
Bob Alati – Graystone Consulting
Rebecca Sorensen – UBS Financial Management
Darin McBride - UBS Financial Management
Shazia Fatima
Drew A Benson
Officer Brian Laforest

Minutes from the January 9th, 2019 Meeting**Resolution # ER – 2019-02-04**

Moved by: Hamilton

Seconded by: Miller

RESOLVED, that the Minutes of the January 9th, 2019 meeting be **APPROVED**.

UBS Financial Presentation

- **Market Review – Rebecca Sorensen**
 - Rebecca gave a brief update on the 2019 Capital Market Assumptions.
 - She also discussed the Investment Outlook stating that we are still in the bull market and expects a good year going forward.
- **Investment Review – Rebecca Sorensen**
 - The performance as of January 31st, 2019 MTD Net Rate of Return Net of Fees was as follows: Combined 6.10%; ERS 5.62%; NAIC 7.88%.
 - They are pleased with the portfolio showing a good performance against the benchmark.
- **Recommendations:**
 - eBay, PayPal, and LHC Group held in NAIC
 - UBS has "Buy" opinion on all - no longer covered by NAIC/Better Investing. Consider moving stocks to ERS from NAIC account in exchange for available cash in ERS account. Current value of all three positions as of Feb 4, 2019 - approximately \$1,500,000.
 - Cash Balance in ERS - approximately \$1,000,000
 - The Board decided not to take the recommendation and directed Administrator Darling to sell the positions in the open market.

Resolution # ER – 2019-02-05

Moved by: Novak

Seconded by: Stansbury

RESOLVED, that the Board is not taking the UBS recommendation but instead directing System Administrator Darling to sell the NAIC stocks in the open market and use cash proceeds to invest in NAIC recommended stocks be **APPROVED**.

Yeas: - 7 –

Absent: - 0 –

Motion Passes

- Administrator Darling approved the Call Options as recommended by UBS.

Other Business

- Chairman Calice talked about the email sent out by Justin Novak as mentioned in the previous meeting and Administrator Darling asked to have this discussion at a future meeting.

Public Comment

None

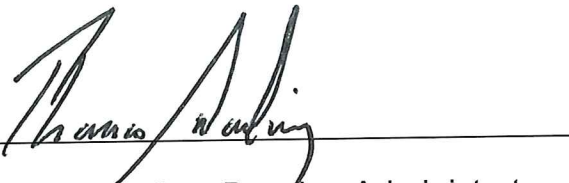
Adjourn

The meeting adjourned at 1:32 PM.

The next meeting is Wednesday March 13th, 2019 at 12:00 PM at Troy City Hall, Council Board Conference Room, 500 W. Big Beaver Road, Troy, MI 48084.



Mark Miller, Trustee



Thomas Darling, Pension Administrator