



500 West Big Beaver
Troy, MI 48084
troymi.gov

MINUTES

Retiree Healthcare Benefits Plan & Trust Board Meeting

February 13th, 2019 at 1:00 PM
Troy City Hall City Council Board Room
500 West Big Beaver Troy, Michigan 48084
(248) 524-3330

Roll Call

A meeting of the Retiree Healthcare Benefits & Trust 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 1:44 p.m.

Trustees Present: Mark Calice (left at 1:55 PM)
Thomas Darling, CPA
Justin Novak
Mark Miller
Thomas Gordon II
Milton Stansbury
David Hamilton
Mark Owczarzak

Trustees Absent: None

Also Present: Rebecca Sorensen – UBS Financial Management
Darin McBride - UBS Financial Management
Shazia Fatima

Minutes from the November 14th, 2018 Meeting

Resolution # ER-2019-02-01

Moved by: Novak

Seconded by: Stansbury

RESOLVED, that the Minutes of the November 14th, 2018 meeting with the adjourn time adjusted to 2:05 PM be **APPROVED**.

Yeas: - 7 -

Absent: - 0 -

Motion Passes

Regular Business

- Chairman Calice had to leave, hence, it was decided to discuss the recommendation first.

Investments

- **Recommendations:**
 - Mid Cap equities are currently at 16%. Propose reducing position by 4% - adding 2% to Large Cap Core, 1% to Large Cap Growth, and 1% to Large Cap Value

Resolution # ER-2019-02-02

Moved by: Darling

Seconded by: Hamilton

RESOLVED, Reduce Mid Cap Equities (iShares Russell Mid-Cap ETF, Janus Henderson and John Hancock Mid Cap Value) by 4% and, add 2% to Large Cap Core (SPDR S&P 500 ETF), add 1% to Large Cap Growth (Loomis Sayles) and add 1% to Large Cap Value (MFS Large Cap Value) be **APPROVED**.

Yeas: - 7 -

Absent: - 0 -

Motion Passes

- **Investment Review – UBS Financial – Darin McBride**
 - MTD Net Rate of Return as of January 31st, 2019: 6.81%.
 - Darin also discussed the Asset Allocation and Manager performance.
 - UBS is happy with the manager performance and had no recommendations at this time.

Other Business

- Administrator Darling informed the Board that available funds in the Employee Retirement System (ERS) restricted for the retiree healthcare benefits have been exhausted. Future retiree healthcare benefits will be funded by the Retiree Healthcare Fund.
- The City's annual required contribution to the Retiree Healthcare Fund is estimated at approximately \$5.6 million. The annual cost of retiree healthcare is estimated at approximately \$5.5 million. Accordingly, future net contributions to the fund or requests for reimbursement to the City

from the fund will be limited in the foreseeable future compared to prior years.

Public Comment

None

Adjourn

The meeting was adjourned at 2:33 PM.

The next meeting is Wednesday May 8th, 2019 at 1:00 p.m. at Troy City Hall, Council Board Conference Room, 500 W. Big Beaver Road, Troy, MI 48084.



Mark Miller, Trustee



Thomas Darling, Pension Administrator