



Minutes

Employees' Retirement System Board Meeting

March 9, 2016 at 12:00 PM
City Council Board Room

Troy City Hall
500 West Big Beaver
Troy, Michigan 48084
(248) 524-3330

A meeting of the Employees' Retirement System Board of Trustees was held on **March 9, 2016** at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 12:08 p.m.

Trustees Present:

Mark Calice
Thomas Darling, CPA
Thomas Gordon II
Steve Pallotta
Dave Henderson
Brian Kischnick (Arrived 1:20 PM)

Trustees Absent:

Milton Stansbury

Also Present:

Kathy Kostopoulos

Minutes:

Resolution # ER – 2016-03-08

Moved by: Pallotta
Seconded by: Gordon II

RESOLVED, that the Minutes of the February 10, 2016 meeting be approved.

Yeas: - 5 -
Absent: - 2 -

Retirement Requests:

Name	Timothy L. Richnak	Theresa Marie Harrison	Leda Lorraine Coughlin
Pension Program	DC	DB	DC
Retirement Date	05/10/2016	04/10/2016	05/13/2016
Department	Exempt/Public Works	TPOA/Police	Exempt/IT
Service Time	23 years, 7 months	25 years, 0 months	13 years, 6 months

Resolution # ER – 2016-03-09

Moved by: Pallotta
Seconded by: Henderson

RESOLVED, that the retirement requests be approved.

Yeas: - 5 -
Absent: - 2 -

Regular Business:

Members of the Board reviewed the ERS Board of Trustees returned candidate forms received by the due date February 28, 2016 for the open position on the ERS Board. Three individuals expressed interest in serving as a member. It was discussed and agreed that the candidates could join the ERS April 13, 2016 meeting in order to see if they would like to further pursue the open position and commitment of serving. If candidate interest persists, they may then fill out a resume and application online with the City of Troy Clerks secure portal. City Council will then review the applicants along with the ERS Board of Trustee's recommendation. Mayor Pro Tem Ed Pennington will then nominate an individual to fill the position, action by City Council would be anticipated in June 2016.

Investments:

- Graystone Consulting Presentation
Mr. Michael Holycross, Amy Cole and Robert Alati from Graystone presented the Graystone Morgan Stanley February 29, 2016 Portfolio for the City of Troy Employees Retirement System.

Ms. Cole reviewed the Morgan Stanley managed accounts for the month and quarter ended February 29, 2016. She noted that the ending value was \$75.3 million representing a decrease of 0.24% for the month, 4.58% for the quarter and year to date 4.58% and Last 12 months of 8.24% (net of fees). Investment performance and Asset Allocation was reviewed and discussed with the members of the board. Mr. Holycross discussed overseas market conditions and the views of Morgan Stanley's Chief Investment Officer Michael Wilson. Mr. Alati discussed current market conditions and reviewed additional graph handout. Chairman Calice requested Mr. Holycross discuss figures reported in the performance for NAIC and Morgan Stanley at February 29, 2016. Also, the Chairman requested for the next meeting Mr. Holycross clarify figures previously reported in the performance as Gross and Net of Fees for Morgan Stanley at December 31, 2015.

City Manager Brian Kischnick joined the meeting at 1:20 P.M.

- UBS Financial Services Presentation

Mr. Eric Coan, Senior Vice President of TCW Investment was guest speaker provided by UBS. Mr. Coan discussed the MetWest Total Return Bond Fund. Ms. Rebecca Sorensen and Mr. Darin McBride of UBS reviewed the stock holdings for the City of Troy Employees Retirement Systems Defined Benefit and NAIC portfolios for March 01, 2016 noting \$107.7 million in assets. This represented a net time-weighted ROR decrease of 0.02% for the month and 3.34% year to date and 1 Year 7.11%. Clarification was provided by Ms. Sorensen on the Gross Time-Weighted ROR and the Net Time-Weighted ROR. Investment performance and Asset Allocation was reviewed and discussed with the members of the board noting that Equities is at 70.29% and UBS is watching percentage related to policy allocations.

Other Business:

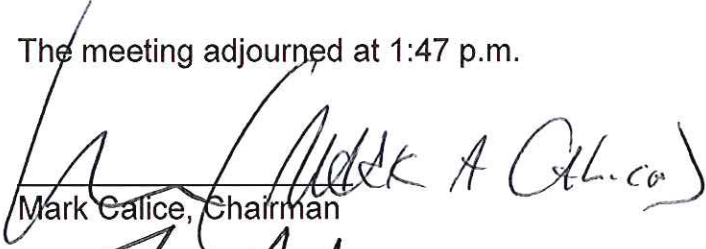
None

Public Comment:

None

The next meeting is Wednesday, April 13, 2016 at 12:00 p.m. at Troy City Hall in the Council Board Conference Room, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting adjourned at 1:47 p.m.


Mark Calice, Chairman


Thomas Darling, Pension Administrator