



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## **MINUTES**

### **Employees' Retirement System Board Meeting**

September 11<sup>th</sup>, 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 **September 11<sup>th</sup>, 2019** at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 12:00 PM and the Board observed a moment of silence to reflect on the events that took place on this day in 2001.

**Trustees Present:** Mark Calice  
John M. Lamerato  
Justin Novak  
Milton Stansbury  
David Hamilton  
Mark F Miller

**Trustees Absent:** Thomas Gordon II  
Mark Owczarzak

**Also Present:** Amy Cole – Graystone Consulting  
Robert F. Alati – Graystone Consulting  
Rebecca Sorensen – UBS Financial Management  
Darin McBride - UBS Financial Management  
Lisa Burnham  
Shazia Fatima

#### **Minutes from the August 14<sup>th</sup>, 2019 Meeting**

##### **Resolution # ER – 2019-09-27**

Moved by: Stansbury

Seconded by: Novak

**RESOLVED**, that the Minutes of the August 14<sup>th</sup>, 2019 meeting be **APPROVED**.

Yeas: - 6 -

Absent: - 1 –

**Motion Passes**

### **Retirement Requests**

Name	None			
Pension Program				
Retirement Date				
Department				
Service Time				

### **Regular Business**

- None

### **Investments**

#### **Graystone Consulting Group Presentation**

- **Market Review – Bob Alati / Amy Cole**
  - Bob discussed the Yield Curve highlighting that the long term indicators are positive and despite a slowdown in earnings he does not expect an inversion right now and believes that we are still not near a recession.
  - Amy discussed the On the Markets article talking about recession and fears.
- **Investment Review – Amy Cole**
  - Amy discussed Performance noting the YTD Net Returns Net of Fees for the combined accounts as of August 31<sup>st</sup>, 2019 at 10.63%.
  - Performance update as of September 9<sup>th</sup>, 2019 YTD Net Returns Net of Fees for the combined accounts was 12.38%.
  - She also discussed Asset Allocation noting that she had no recommendations to rebalance the portfolio at this time.

#### **UBS Financial Presentation**

- **Market Review – Rebecca Sorensen / Darin McBride**
  - Rebecca gave a market update discussing the increase in fears of recession.
  - She noted that some fears of a recession are valid and some are overstated, but the current economy needs closer attention.
  - She suggested that we maintain an equity allocation that is more domestically focused and concluded that she does not anticipate a recession right now.
- **Investment Review – Rebecca Sorensen / Darin McBride**
  - The performance as of August 31<sup>st</sup>, 2019 YTD Net Rate of Return Net of Fees was as follows: Combined 16.42%; ERS 15.85%; NAIC 18.62%.
  - She also reviewed the Asset Allocation for the combined and individual accounts.

- **Recommendations :**
  - Recommended covered call options

**Resolution # ER – 2019-09-28**

Moved by: Lamerato

Seconded by: Hamilton

**RESOLVED**, to execute the covered call options based on UBS recommendations be **APPROVED**.

Yeas: - 6 -

Absent: - 1 –

**Motion Passes**

**Other Business**

- Withdrawal schedule discussion
  - Chairman Calice initiated a discussion on the withdrawal schedule.
  - The Board discussed which accounts the money has been taken out of in the past few years and how the withdrawals have been handled previously.
  - They discussed their concerns in regards to taking money out of UBS which is performing better than Morgan Stanley and the general sentiment was to take the full disbursement for December out of Morgan Stanley.
  - The Board agreed that the Finance Director will present the Board next month with the amount of disbursement required in December.
  - The Board will then notify the Investment Consultants to bring their recommendations for the disbursement in the November meeting in order to discuss which account this money will be taken out from.

**Public Comment**

- None

**Adjourn**

The meeting adjourned at 1:23 PM.

The next meeting is Wednesday, October 9<sup>th</sup>, 2019 at 12:00 PM at Troy City Hall,  
Council Board Conference Room, 500 W. Big Beaver Road, Troy, MI 48084.



Mark Calice, Chairman



John M. Lamerato, Pension Administrator