



500 West Big Beaver
Troy, MI 48084
troymi.gov

MINUTES

Retiree Healthcare Benefits Plan & Trust Board Meeting

November 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 **November 13th, 2019** at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 1:24 PM.

Trustees Present: Mark Calice
Thomas Gordon II
Robert C Maleszyk
Justin Novak
Mark F. Miller
Mark Owczarzak

Trustees Absent: Milton Stansbury
David Hamilton

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

Minutes from the August 14th, 2019 Meeting

Resolution # ER-2019-11-09

Moved by: Gordon

Seconded by: Novak

RESOLVED, that the Minutes of the August 14th, 2019 meeting be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

Motion Passes

Regular Business

• **2020 RHC Board Meeting Dates**

- 1 PM on the following Wednesdays: Feb 12th, May 13th, Aug 12th, Nov 11th

Resolution # ER – 2019-11-10

Moved by: Miller

Seconded by: Maleszyk

RESOLVED, that the 2020 RHC Meeting Schedule be **APPROVED**.

Yeas: - 5 -

Absent: - 2 –

Motion Passes

• **RHC Actuarial Valuation Engagement Letter Jan-Dec 2020 – Gabriel, Roeder, Smith (GRS)**

- Robert Maleszyk presented the Actuarial Valuation Engagement Letter – Gabriel, Roeder, Smith (GRS)
- He reviewed the proposed services and actuarial fees for the City of Troy Retiree Health Care plan for the period beginning January 1, 2020 through December 31, 2020.

Resolution # ER - 2019-11-11

Moved: Miller

Seconded: Novak

RESOLVED, to engage Gabriel Roeder Smith to perform RHC actuarial services through December 31, 2020 using an assumed rate of return of 6.5% and using the most current mortality tables commonly used for municipal systems be **APPROVED**.

Yeas: - 5 -

Absent: - 2 –

Investments

• **Market and Investment Review – UBS Financial – Rebecca Sorensen**

- Becky gave a brief overview of the market noting that there is still volatility in the market. They are cautious and still want to maintain the 70-30 allocation.
- She discussed portfolio performance noting the YTD Net Returns Net of Fees as of September 30th, 2019 was 16.68%.
- She also presented the asset allocation and had some rebalancing recommendations.
- Darin presented the Manager Performance discussing the performance quartiles and upside / downside capture ratios for each manager.

• **Recommendations:**

- Purchase TCW Emerging Markets Income Fund- \$780,000
- Increase Inflation Protected Treasuries- \$1,170,000
- Reduce BlackRock High Yield- \$390,000
- Reduce BlackRock Strategic Income- \$390,000
- Reduce FCI All Corp- \$1,170,000

Resolution # ER-2019-11-12

Moved by: Novak

Seconded by: Maleszyk

RESOLVED, to purchase \$780,000 in TCW Emerging Markets Income Fund, Increase Inflation Protected Treasuries by \$1,170,000, reduce BlackRock High Yield by \$390,000, reduce BlackRock Strategic Income by \$390,000 and reduce FCI All Corp by \$1,170,000 be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

Motion Passes

Other Business

None

Public Comment

None

Adjourn

The meeting was adjourned at 1:49 PM.

The next meeting is Wednesday, February 12th, 2020 at 1:00 p.m. at Troy City Hall, Council Board Conference Room, 500 W. Big Beaver Road, Troy, MI 48084.


Mark Calice, Chairman


Thomas Gordon II, Vice Chairman