

**VOLUNTEER FIREFIGHTERS' INCENTIVE PLAN AND TRUST BOARD OF
TRUSTEES MINUTES – FINAL – November 13th, 2019**



500 West Big Beaver
Troy, MI 48084
troymi.gov

Minutes

**Volunteer Firefighters'
Incentive Plan & Trust
Board Meeting**

**November 13th, 2019 at 11:00 AM
City Council Board Room
at Troy City Hall
500 West Big Beaver
Troy, Michigan 48084
(248) 524-3330**

A meeting of the Troy Volunteer Firefighters' Incentive Plan & Trust Board 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 11:02 AM by Chairman Robert C Maleszyk.

Trustees Present: Robert C Maleszyk
Mark F Miller
Anthony Rosenblum
Al Soriano
David Hamilton

Trustees Absent: Jim Roll
Tony Pabian

Also Present: Bob Alati – Graystone Consulting
Tim Brice - Graystone Consulting
Dave Roberts
Lisa Burnham
Shazia Fatima

Motion to excuse absentees:

Resolution # VFIP – 2019-11-10

Moved by: Rosenblum

Seconded by: Hamilton

RESOLVED, that Jim Roll and Tony Pabian be excused from the meeting be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

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Motion to approve the Agenda:

Resolution # VFIP – 2019-11-11

Moved by: Hamilton

Seconded by: Soriano

RESOLVED, that the Agenda for the meeting be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

Minutes from August 14th, 2019:

Resolution # VFIP – 2019-11-12

Moved by: Rosenblum

Seconded by: Miller

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

Yeas: - 5 -

Absent: - 2 -

Retirement Requests:

Name	Stephen Vaillancourt (Beneficiary – Susan Vaillancourt)
Type	Non-Duty Death
Retirement Date	11/12/2018
Service Credit	16 years, 7 months
Age	56

Resolution # VFIP – 2019-11-13

Moved by: Rosenblum

Seconded by: Soriano

RESOLVED, that the retirement requests be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

Regular Business:

- **Christmas Luncheon**
 - Administrator Burnham announced that the Christmas Luncheon will be held on December 11th, 2019 and an email will be sent out regarding the final time and location.

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- **2020 VFIP Board Meeting Dates**

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

Resolution # VFIP – 2019-11-14

Moved by: Hamilton

Seconded by: Rosenblum

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

Yeas: - 5 -

Absent: - 2 -

- **VFIP 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 Incentive Plan for Volunteer Firefighters for the period beginning January 1, 2020 through December 31, 2020.

Resolution # VFIP - 2019-11-15

Moved: Hamilton

Seconded: Rosenblum

RESOLVED to engage Gabriel Roeder Smith to perform VFIP 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 -

- **Graystone Consulting Group Presentation**

- **Market Review – Bob Alati and Tim Brice**

- Bob discussed the S&P, Emerging Markets, Industrial, Technology, and All World Index Charts noting that markets are moving up.
 - He also discussed the different types of Yield Curves – Inverted, Normal and Flat, noting that right now we are at the Normal or Steepening Yield Curve indicating that the markets are getting better and that we are still not near a recession.
 - Tim discussed the factors that led to this improvement in the market.

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- **Investment Review – Tim Brice**
 - Tim presented the Third Quarter 2019 Performance Reports
 - Net Return Net of Fees YTD as of September 30th, 2019: 12.06%.
 - Performance Update Report as of October 31st, 2019
 - Net Return Net of Fees YTD as of October 31st, 2019: 13.31%.
- **Manager Performance Review – Tim Brice**
 - Tim presented the Manager Performance update discussing the risk and returns of Cambiar, Delaware and ClearBridge noting that Cambiar is struggling.
 - He recommended that Cambiar International Equity be replaced with ClearBridge International Growth and Delaware International Value Equities.
- **Asset Allocation Review – Tim Brice**
 - Tim presented the Capital Market Assumptions discussing the difference between Strategic Forecasts (first 7 years) and Secular Forecasts (Year 8 and up) for the various asset classes in the portfolio.
 - He also discussed the strategic asset allocation summary comparing the rate of return, volatility and sharpe ratios for the current portfolio versus the strategic and tactical mixes.
 - Tim will bring an analysis of REITs and MLP's in the future meetings.
- **Recommendation: Rebalancing the portfolio as of 11/1/2019**
 - Sell all positions in Cambiar International Equity \$1,084,072 and reallocate \$350,000 from cash to ClearBridge International Growth Equity \$592,036, Delaware International Value Equity \$592,036, iShares Emerging Markets Equity \$100,000 and PIMCO Real Return Domestic Fixed Income \$150,000.

Resolution # VFIP – 2019-11-16

Moved: Hamilton

Seconded: Soriano

RESOLVED to Sell all positions in Cambiar International Equity \$1,084,072 and reallocate \$350,000 from cash to ClearBridge International Growth Equity \$592,036, Delaware International Value Equity \$592,036, iShares Emerging Markets Equity \$100,000 and PIMCO Real Return Domestic Fixed Income \$150,000 be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

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Other Business:

- Fire Chief Dave Roberts announced that Tony Pabian and Jim Roll are no longer able to fulfill their obligation as Trustees on the VFIP Board.
- Tony Pabian was one of two active member representatives and Jim Roll was the retiree representative.
- Both these positions are now vacant and need to be filled.
- He will announce at all Fire Stations to seek nominations for anyone who is interested to be a Trustee on the Board, decide who will replace Tony and Jim, and forward those names to him before the next VFIP meeting to be held on February 12th, 2020.

Public Comment:

None

Motion to adjourn the meeting:

Resolution # VFIP – 2019-11-17

Moved by: Hamilton

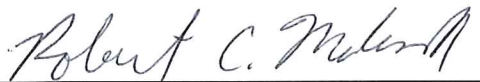
Seconded by: Rosenblum

RESOLVED, that the meeting adjournment be **APPROVED**.

Yeas: - 5 -

Absent: - 2 -

Meeting adjourned at 11:53 AM.



Robert C Maleszyk, Chairman



Lisa Burnham, System Administrator