

MINUTES OF A MEETING OF THE  
RETIREMENT INVESTMENT COMMITTEE  
JUNE 5, 2019

The meeting was called to order at 7:34 A.M.

Present: Richard Aginian, Citizen Member; Mark Gerber, Finance Director/Treasurer; Christopher Conti, Retirement Board Trustee

Also Present: Steve and David Gasper, UBS; Thelma Golden, Treasury Consultant; Frank Pisano, Library Board Member

Motion by Conti:  
Second by Gerber:

To approve the minutes of the Retirement Investment Committee meeting held February 27, 2019

Ayes: 2  
Nays 0  
Abstain: 1 (Aginian)

Steve Gasper reviewed the June 5, 2019 investment consultant report and Comerica Bank's Composite Review dated March 31, 2019. First quarter returns were above the target index; one-year returns were below the index.

The S&P 500 Index has been dominated by the top 10-12 stocks that have far outperformed the market. The committee may consider the creation of a custom index that would more closely reflect the composition of the fund.

In this market value stocks have been out of favor. Small-cap stocks have underperformed because of trade war concerns. Emerging markets have been negatively impacted by fluctuations in the U.S. dollar.

The Gaspers spoke with representatives from Seizert regarding their poor first-quarter and one-year performance. Seizert hasn't changed its approach; the under-performance was based on poor stock selection. Their April performance was up; they are staying close to their benchmark. The Gaspers don't think there is an issue; but Seizert has been placed on a watch list

Gabelli's performance has been negatively impacted by the threat of a trade war.

Lazard is a value driven manager. Their performance was negatively impacted because value has been out of favor.

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The committee discussed the feasibility of increasing the allocation in passive equity index funds and will continue the discussion at a future meeting.

The meeting was adjourned at 8:21 A.M.

Respectfully submitted,

Thelma Golden  
Treasury consultant