

CENTER LINE POLICE & FIRE RETIREMENT COMMISSION
MINUTES
REGULAR MEETING
June 9, 2020
Conducted via teleconference do
to Covid-19 Pandemic

4C. ✓
7/14/20

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The regular meeting of the Center Line Police and Fire Pension Board was called to order at 2:30 p.m. by Chairman Danny Petroff and conducted by teleconference.

Members Present: Danny Petroff, Michael Gerald, Gregory Suma, Richard Stys and Bernadette Helkowski.

Members Absent: None.

Also, Present: Tim Brice of Morgan Stanley.

AGENDA ITEM 2. – Approval of the Agenda

Motion by Trustee Helkowski to approve the agenda with was seconded by Trustee Stys.

AYES: 5
NAYS: None **Motion carried 5 - 0.**
ABSENT: None.

AGENDA ITEM 3 – Public Comment

Seeing there was no one in the audience this item was closed.

AGENDA ITEM 4 – Approval of the minutes

A. None.

AGENDA ITEM 5 – Remembrances

A. None.

AGENDA ITEM 6 – Presentations:

A. Tim Brice from Morgan Stanley Graystone Consulting:
Discussion: *On The Markets Escape Velocity* – June 2020 and Market Value of portfolio as of June 2, 2020 - \$ 11,550,248.09.

Mr. Brice addressed the June 2020 *On The Markets Escape Velocity*. The Chief Investment Officer for Morgan Stanley believes this will be a "V" shaped economy as the economy shuts down for the Covid-19 pandemic and to recover quickly in the future. With the FED action and the CARES Act to help stimulate the economy more people have moved back into equities. Some of the major indices have recovered back to

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where they were pre-pandemic. As the economy is starting to reopen some good news has come out. On June 5, 2020 economists were predicting another 7,500,000 loss in jobs but instead there was a 2,500,000 increase in new jobs. Value style is doing better than Growth and small and mid-caps are out performing Large-caps. Also, the US dollar has come down more recently and so international equities are outperforming domestic equities.

Mr. Brice now addressed the market value information. The portfolio has had a significant bounce back from where we were. We currently have an overweight in large-cap stocks and if we needed to liquidate funds or do a portfolio rebalance, we would pull the funds from this asset class. Small-cap, internationals and emerging markets are now up over their targets. Our annual asset allocation study will be presented at next month's meeting. As of June 8, 2020, the portfolio market value is \$ 11,934,631.00. Regarding performance, the portfolio is up month-to-date at 4.60%, quarter-to-date up 19.40% and year-to-date is down – 2.00%. Trustee Stys asked if we were closer to our target IPS at the end of June. Mr. Brice said the targets are based upon the overall market value of the portfolio and Morgan Stanley could amend the IPS to include a minimum and maximum for all equities. Mr. Brice said we are out of range but not to be concerned as we will address this soon. Trustee Helkowski asked when the jobs report was released stating there were 2,500,000 why were they classified as new jobs but were jobs that people returned to. Mr. Brice explained that they were expecting more people to be added to the unemployment roles but that was not the case. It comes down to, do you have a job or do you not have a job. So now 2,500,000 people have a job. In the recession of 2008-2009 people were losing jobs that were no longer going to be in existence and in this recession, people were laid off with jobs to return to.

AGENDA ITEM 7 - For Your Information:

A. None.

AGENDA ITEM 8 – Old Business

A. None

AGENDA ITEM 9 – New Business

A. None.

AGENDA ITEM 10 – Retirements

A. None

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AGENDA ITEM 11 – Annuity Withdrawals

A. None

AGENDA ITEM 12 – Approval of Pension Figures

A. None

AGENDA ITEM 13 – Vouchers

A. March 25, 2020 pensions paid: Pay Report 361 ~ \$ 108,286.76.

A motion to pay the pensions was motioned by Trustee Suma and seconded by Trustees Stys.

AYES: 5
NAYS: None Motion carried 5 - 0.
ABSENT: None

B. April 24, 2020 pensions paid: Pay Report 365 ~ \$ 108,286.76.

A motion to pay the pensions was motioned by Trustee Suma and seconded by Trustees Stys.

AYES: 5
NAYS: None Motion carried 5 - 0.
ABSENT: None

C. May 22, 2020 pensions paid: Pay Report 368 ~ \$ 108,286.76.

A motion to pay the pensions was motioned by Trustee Suma and seconded by Trustees Helkowski.

AYES: 5
NAYS: None Motion carried 5 - 0.
ABSENT: None

**D. Morgan Stanley – Graystone Consulting Investment Management Fees for the
1st Quarter 2020 period ending March 31, 2019 Invoice # 10062020098
~ \$ 13,417.52.**

