

**Monroe County Employees Retirement
System Board of Trustees
MINUTES**

A regular meeting of the Monroe County Employees Retirement System Board of Trustees was held on April 26, 2010 at 5:00 P.M. in the Board of Commissioners Meeting Room at 125 East Second Street, Monroe, Michigan.

PRESENT: Nancy Colpaert, James Davies, John Fowler, George Jondro, Anne McCarthy, James Morgan, William Myers, William Sisk (arrived at 5:10) and David Thompson.

ABSENT: None

ALSO PRESENT: Sandy Calkins, Retirement Specialist, Royce Maniko, Secretary, Sam Galanis and Michael Cho, Consultants and Thomas Michaud, Legal Counsel

With a quorum being present, Chairman Thompson called the meeting to order at 5:00 P.M.

Nancy Colpaert noticed in the March 22, 2010 minutes George Jondro's last name was spelled incorrect under the Communications section. Motion by James Morgan, supported by George Jondro to approve the minutes of the March 22, 2010 regular meeting with the correction. Motion carried.

Motion by Nancy Colpaert, supported by Anne McCarthy to approve the agenda as submitted. Motion carried.

Citizens Time – None

Presentations – Alpine Mutual Funds – Marc Rappaport

Mr. Rappaport discussed Alpine Mutual Funds Investment Philosophy. He stated the company uses a top-down/bottom-up, active, non-index dependent, value-oriented, multi-cap investment methodology. He stated that industry and sector selection is made in consideration of both share prices relative to private market value and growth opportunities. The company balances risk and opportunity, selecting one carefully researched security at a time.

Mr. Rappaport stated there have been profitable real estate opportunities. Alpine International Real Estate Equity Fund has approximately 60% allocated to foreign emerging markets.

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Chairman Thompson acknowledged that the fund has heavy exposure in Brazil. He questioned whether it would be beneficial to be so heavily invested in Brazil with the Olympics being held there in the future. Mr. Rappaport advised the Retirement Board that he is comfortable with the current allocation.

Highbridge Market Neutral Mutual Funds – David Morrison

Mr. Morrison discussed the relationship between Highbridge and J.P. Morgan Asset Management. He stated that Highbridge is the largest hedge fund manager in the world. He explained the sophisticated trading system and noted that Highbridge spends in excess of 150 million per year on research. According to Mr. Morrison the goal of Highbridge is to generate positive returns regardless of market direction while neutralizing risks.

Motion by James Davies, supported by John Fowler to approve the consent agenda as listed below.

A. Retirements

David Uhl, Sheriff's Office	March 31
Larry Secor, Road Commission	April 9
Kim Degner, Road Commission	April 13
Raymond Nusbaum, Road Commission	April 17
Daniel Vandeveld, Road Commission	April 17

B. Financial Reports – On File with Retirement Specialist

1. Comerica Bank Consolidated Statement, Cash Account Statement, Anchor Capital Advisors, Boyd Watterson Asset Management, Brandywine Asset Management Global, Eagle Global Advisors, NWQ Investment Management and International Value Equity, Pacific Income Advisors, Renaissance Investment Company and International Equity, Smith Group Asset Management, Templeton Portfolio Advisors for the period of 03/01/10 through 03/31/10 and Securities Lending Statement for February, 2010.
2. Alpine Investor Statement for the period of January 1, 2010 – March 31, 2010.
3. Boyd Watterson Asset Management Client Statement for the period ended February 28, 2010.
4. Brandywine Global Investment Management Global Fixed Income Portfolio for March 2010.

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5. Brandywine Global Investment Management Global Fixed Income Portfolio for the First Quarter 2010.
6. Diamond Hill Statement for the period of January 1, 2010 – March 31, 2010.
7. Highbridge Summary Prospectus for the period ended February 28, 2010.
8. Morgan Stanley Smith Barney Client Statement for Anchor Capital Advisors, Eagle Global Advisors, NWQ LCV and International, Renaissance Investment Advisors and International, Smith Group Asset Management and Templeton Portfolio Advisors for the period ended March 31, 2010.
9. Pacific Income Advisers Portfolio Appraisal for the period ended March 31, 2010.
10. Renaissance Investment Management International Equity Strategy for the First Quarter 2010.
11. Renaissance Investment Management Large Cap Growth Strategy for the First Quarter 2010.
12. Smith Group Asset Management Monthly Portfolio Summary for the period ended March 31, 2010.
13. J.P. Morgan Asset Management Quarterly Statement for the period of January 1, 2010 – March 31, 2010.

C. Communication

1. Brandywine Global Investment Management Monthly Commentary for March 2010.
2. Brandywine Global Investment Management Quarterly Commentary.
3. Renaissance Firm Update.
4. Renaissance proxy reports for the first quarter of 2010.
5. Smith Group Asset Management Market Perspectives for April 2010.
6. Tradewinds Global Investors updated Form ADV Part II.
7. Comerica Bank Governmental Accounting Standards Board Statement 28.

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Motion Carried.

Invoices

Motion by George Jondro, supported by William Sisk to approve invoices 7-1 through 7-4 for payment, subject to house audit:

1. Invoice dated March 31, 2010 in the amount of \$2,727.12 from Comerica Commercial Card Service for NCPERS educational seminar registration, refund for Michael Brown, Retiree Health Care Board, and Hotel cancellation refund.
2. Invoice #1647 dated March 30, 2010 in the amount of \$17,280.29 from the County of Monroe Finance Department for charges for services rendered to the Retirement Board for January – March 2010.
3. Invoice #1657 dated April 2, 2010 in the amount of \$10.93 from the County of Monroe Finance Department for March 2010 postage.
4. Invoice #111247 dated April 8, 2010 in the amount of \$4,625.00 from Gabriel Roeder Smith & company for regular actuarial services performed for the quarter from January 1, 2010 – March 31, 2010.

Motion by William Sisk, supported by John Fowler to approve invoices 7-5 through 7-6 for payment, subject to house audit:

5. Invoice #106981 dated April 12, 2010 in the amount of \$17,342.00 from Wells Fargo Insurance Agency for the 2010/2011 Fiduciary Renewal.
6. Invoice #106944 dated April 5, 2010 in the amount of \$1,699.00 from Wells Fargo Insurance Agency for the Travelers Fiduciary Extension March 15, 2010 – April 15, 2010.

Motion by Anne McCarthy, supported by John Fowler to approve invoice 7-7 for payment, subject to house audit:

7. Invoice dated April 21, 2010 in the amount of \$6,720.00 from Vanoverbeke, Michaud & Timmony, P.C. for legal services rendered for the period of January 1, 2010 – March 31, 2010.

Motion carried.

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Refunds

Motion by William Myers, supported by Anne McCarthy to approve the following refunds:

1. Giacomo Zanger, Sheriff's Office \$3,104.25

Motion carried.

Retirement Payments

Motion by William Sisk, supported by George Jondro to approve the following retirement payments:

1. Audrey Majauskas, Mental Health \$1,935.32
**February \$129.04, March \$903.14

Motion carried.

Communications

Motion by John Fowler, supported by Anne McCarthy to accept and place of file the following applications for Purchase of Universal Service Credit:

1. Craig Abel, County Agency
2. Vickie Adams, Veterans Bureau
3. Marilyn Beste, Employment & Training
4. Michael Boczar, Sheriff's Office
5. Laura Borawski, Information Technology
6. Michael Brown, Prosecuting Attorney
7. John Ciacelli, Sheriff's Office
8. Deanna Clark, District Court
9. Carolyn Cron, Finance
10. Kimberly Farver, Information Technology
11. Catherine Frank, Health Department
12. R. Lamar Frederick, Board of Commissioners
13. Veronica Gelso, Youth Center
14. Daniel Gorr, County Agency
15. Ernest Green, Sheriff's Office
16. Michael Grodi, Sheriff's Office
17. Richard Haller, Sheriff's Office
18. Janet Kurtz, Sheriff's Office

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19. Joseph Lambert, Sheriff's Office
20. Antonina Lewis, Probate Juvenile
21. Frances Longworth, District Court
22. Mark Metz, Central Dispatch
23. Judy Michrina, Youth Center
24. Brenda Montri, District Court Probation
25. Brian Murray, Sheriff's Office
26. Sandra Nadeau, Sheriff's Office
27. Annamarie Osment, Sheriff's Office
28. Jack Penwarden, Probate Court
29. Cheryl Perhatch, Register of Deeds
30. Jeffrey Perkins, County Agency
31. John Plath, Sheriff's Office
32. Diana Powell, Youth Center
33. Darlene Redmond, Sheriff's Office
34. Stevan Richardville, Sheriff's Office
35. William Rosenberger, Central Dispatch
36. Jennie Stanger, Extension
37. Daniel Stefanski, Drain Commissioner
38. Paul Steinman, County Agency
39. Todd Sulfaro, Sheriff's Office
40. Sharon Sullins, County Agency
41. Tammy Thoma, Sheriff's Office
42. Steve Voyantzis, County Agency
43. James Walker, Youth Center
44. Joshua Walker, Friend of the Court
45. Lauren Wehner, District Court
46. William Whittaker Jr., County Agency
47. Jane Winkelman, District Court

Motion carried.

Motion by Nancy Colpaert, supported by John Fowler to accept and place of file the following applications for Service Retirement:

48. Craig Abel, County Agency
49. Jane Appleman, District Court
50. Sandra Baldwin, County Clerk
51. Geraldine Bruck, Sheriff's Office
52. Deanna Clark, District Court
53. Delinda Cooner, Youth Center

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54. Edward Cousino, County Agency
55. Carolyn Cron, Finance
56. Kim Degner, Road Commission
57. Veronica Gelso, Youth Center
58. Daniel Gorr, County Agency
59. Ernest Green, Sheriff's Office
60. Rose Jablonski, Sheriff's Office
61. William Johnson, County Agency
62. Andrew Kohler, Sheriff's Office
63. David Kottke, Sheriff's Office
64. Louise Lietaert, Library System
65. Frances Longworth, District Court
66. Jon Madden, County Agency
67. Charles, McMullen, Road Commission
68. Mark Metz, Central Dispatch
69. Brenda Montri, District Court Probation
70. Sandra Nadeau, Sheriff's Office
71. Raymond Nusbaum Jr., Road Commission
72. Tod O'Lone, Sheriff's Office
73. Cheryl Perhatch, Register of Deeds
74. Beverly Pierce, District Court
75. Louise Proctor, Health Department
76. Stevan Richardville, Sheriff's Office
77. William Rosenberger, Central Dispatch
78. Larry Secor, Road Commission
79. Bryan Simmons, Road Commission
80. Jennie Stanger, Extension
81. Paul Steinman, County Agency
82. Daniel Vandavelde, Road Commission
83. Steve Voyantzis, County Agency
84. James Walker, Youth Center
85. Laureen Wehner, District Court

Motion carried.

Motion by James Morgan, supported by William Sisk to accept and place of file the following applications for Deferred Service Status:

86. Gina Donnelly, Friend of the Court
87. Antonia Reale, Sheriff's Office

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Motion carried.

Motion by Anne McCarthy, supported by James Davies to accept and place of file the following applications for Purchase of Military Service Time:

- 88. William Rosenberger, Central Dispatch
- 89. Bryan Simmons, Road Commission
- 90. Todd Sulfaro, Sheriff's Office

Motion carried.

- 91. Chartis Temporary and Conditional Binder of Insurance Confirmation Letter.

Motion by George Jondro, supported by James Davies to accept, place on file and enter into an agreement. Motion carried.

- 92. County of Monroe Supplemental Valuation for the Voluntary Early Retirement Incentive Program.

Motion by William Sisk, supported by William Myers to accept and place on file. Motion carried.

- 93. County of Monroe Ordinance No. 001-10 Amendment.

Motion by George Jondro, supported by James Davies to accept and place on file. Motion carried.

- 94. Communication from Gabriel Roeder Smith & Company regarding PBGC interest rate.

Motion by George Jondro, supported by William Sisk to adopt the procedure as recommended by Gabriel Roeder Smith & Company. Motion carried.

Proposed Resolutions

Motion by William Sisk, supported by James Davies to accept and place on file the following Application for Service Retirement resolutions:

- 1. Craig Abel, County Agency
- 2. Jane Appleman, District Court
- 3. Sandra Baldwin, County Clerk
- 4. Geraldine Bruck, Sheriff's Office

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5. Deanna Clark, District Court
6. Delinda Cooner, Youth Center
7. Edward Cousino, County Agency
8. Carolyn Cron, Finance
9. Kim Degner, Road Commission
10. Veronica Gelso, Youth Center
11. Daniel Gorr, County Agency
12. Ernest Green, Sheriff's Office
13. Rose Jablonski, Sheriff's Office
14. William Johnson, County Agency
15. Andrew Kohler, Sheriff's Office
16. David Kottke, Sheriff's Office
17. Louise Lietaert, Library System
18. Frances Longsworth, District Court
19. Jon Madden, County Agency
20. Charles McCullen, Road Commission
21. Mark Metz, Central Dispatch
22. Brenda Montri, District Court Probation
23. Sandra Nadeau, Sheriff's Office
24. Raymond Nusbaum Jr., Road Commission
25. Tod O'Lone, Sheriff's Office
26. Cheryl Perhatch, Register of Deeds
27. Beverly Pierce, District Court
28. Louise Proctor, Health Department
29. Stevan Richardville, Sheriff's Office
30. William Rosenberger, Central Dispatch
31. Larry Secor, Road Commission
32. Bryan Simmons, Road Commission
33. Jennie Stanger, Extension
34. Paul Steinman, County Agency
35. Daniel Vandavelde, Road Commission
36. Steve Voyantzis, County Agency
37. James Walker, Youth Center
38. Lauren Wehner, District Court

Motion carried.

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Attorney Report

- Robbins Geller Rudman & Dowd Settlement Report for June 2010

Mr. Michaud's recommendation is to accept communication and place on file.

Motion by James Morgan, supported by John Fowler to accept communication and place on file. Motion carried.

Mr. Michaud also discussed legislation in Lansing. There are current proposals regarding the state taking over local pension plans.

Consultant Report

Mr. Galanis reviewed the valuation report for month ending March 31, 2010. The fund is valued at \$168,156,613.63 up \$3,105,782.07 from the previous month.

The Total Fund was up 2.13%. NWQ – Large Value was up 6.24%, Smith Group was up 5.24% and Templeton was up 5.79%. The current asset allocation includes 51.37% in fixed income, 45.23% in equity, and 3.40% in cash.

Mr. Galanis requested permission from the Board of Trustees to search for an emerging market manager.

Old Business

- Legal contract – Chairman Thompson stated with the Voluntary Early Retirement Program and Universal Time Purchase he has not had time to work on the RFP. He will continue to work on it once the Early Retirement Window closes.

New Business

- Disability re-examinations for 2010

Motion by Nancy Colpaert, supported by Anne McCarthy to send the following disability retirees for re-examination this year:

- Johnna Althouse, Register of Deeds
- Ronald Bitz, Road Commission
- Sheila Casey, Sheriff-Corrections
- Theresa Haynes, Buildings & Grounds

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- Roger Lambert, Central Dispatch
- Nickolas Musulin, Buildings & Grounds
- Jerome Vanslambrouck, County Agency
- Marie Zion, Central Dispatch

Motion carried.

Trustee Comments

Trustee Anne McCarthy inquired about the Reciprocal Retirement Act. She asked if an individual is considering retirement can they use the Reciprocal Retirement Act to become eligible for the Voluntary Early Retirement Program. Mr. Michaud said yes. The individual would need to have 30 months with the County of Monroe and their benefit will only be calculated on their County of Monroe service credit.

Mr. Thompson informed that Board of Trustees that the Retirement Specialist has a spreadsheet to track the purchase of Universal Service Credit. He also restated that individuals who plan on retiring by June 30th need to pay for their purchase of Universal Service Credit prior to retirement.

Motion by James Morgan, supported by John Fowler to adjourn. Motion carried.
Meeting adjourned at 6:15 P.M.

Respectfully Submitted,

David Thompson, Chairman
Monroe County Employees Retirement System
Board of Trustees