

**Minutes of the Regular Meeting of the
Board of Trustees of the Monroe County
Employees Retirement System**

Regular meeting of the Board of Trustees of the Monroe County Employees Retirement System held on May 11, 2009 at 5:00 P.M. in the Board of Commissioner's Meeting Room at 125 E. Second St., Monroe, Michigan.

PRESENT: Nancy Colpaert (left at 5:30), Jim Davies, John Fowler, George Jondro, Anne McCarthy, Jim Morgan, Bill Myers, Bill Sisk (arrived at 5:05) and David Thompson.

ABSENT: Charles Londo, absent

ALSO PRESENT: Debra Elmore, Retirement Specialist; 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.

Motion by George Jondro, supported by Ann McCarthy to approve the minutes of the April 27, 2009 meeting. All in favor, motion carried.

Motion by Nancy Colpaert, supported by Jim Davies to approve the agenda as submitted. All in favor, motion carried.

Citizens Time – none

Presentations – Michael Purcell – Brandywine Asset Management Global Fixed Income

Mr. Purcell updated the Board on how the fund is doing. Year to date is up at .34% as of May 8, 2009 as opposed to the index that is down at -4.81%. For the 1st quarter of 2009 the fund is down -3.71% and the policy index is down -4.81%. The portfolio should provide excess returns for 2009/2010.

Motion by Bill Sisk, supported by George Jondro to approve consent agenda as listed below:

A. Retirements

Mary Rowland, County Health

May 1

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| | |
|---|--------|
| Julia Bodell, EDRO (Ex-spouse of Edward Swinkey) | May 14 |
| Edward Swinkey, deferred, Prosecutors | May 14 |
| Larry Csokasy, deferred, Mental Health | May 16 |

B. Financial Reports – On File with Retirement Specialist

1. Anchor Capital Advisors portfolio summary for period ending March 31, 2009.

C. Communication

1. Anchor Capital Advisors LLC Investment Policy Outlook, April 2009.
2. Boyd Watterson Quarterly Investment Outlook, April 2009.
3. Franklin Templeton Companies, LLC Proxy voting report for 1st quarter 2009.
4. Morgan Stanley notice of change of address.
5. Smith Group updated ADV Part II (on file with Retirement Specialist).
6. Smith Group Asset Management Market Perspectives April 2009.

All in favor, motion carried.

Invoices

Motion by Nancy Colpaert, supported by John Fowler to approve for payment the following invoices, subject to house audit:

1. Invoice #80330309 dated April 30, 2009 in the amount of \$21,089.72 from Brandywine Global Investment Management for investment management services for 1st quarter 2009.
2. Invoice #351221 - \$12,286.17 and Invoice #351855 - \$3,777.48 dated March 31, 2009 from Comerica Bank for custodial services rendered for 1st quarter 2009.

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3. Invoice dated April 30, 2009 in the amount of \$400.00 from Comerica Commercial Card Service for registration fees for two trustees to attend the 2009 Spring MAPERS Educational Seminar in Grand Rapids, Michigan on May 17 – 19, 2009.
4. Invoice #S11000003374 dated April 22, 2009 in the amount of \$10,470.17 from Franklin Templeton Investment for investment management services for 1st quarter 2009.
5. Invoice #1402 dated May 4, 2009 in the amount of \$10.07 from Monroe County Finance Department for April 2009 postage.
6. Invoice dated April 15, 2009 in the amount of \$47,017.50 from Morgan Stanley for consultant management fees for Vision accounts for 1st quarter 2009.
7. Invoice dated April 21, 2009 in the amount of \$10,552.00 from Pacific Income Advisers for investment management fees for 1st quarter 2009.
8. Invoice dated January 15, 2009 in the amount of \$10,143.25 from Renaissance Investment Management for investment management fees of the International Equity Portfolio for 1st quarter 2009.
9. Invoice dated April 15, 2009 in the amount of \$8,994.05 from Renaissance Investment Management for investment management fees of the Large Cap Growth Portfolio for 1st quarter 2009.
10. Invoice dated March 31, 2009 in the amount of \$6,977.77 from Smith Group Asset Management for investment management fees for 1st quarter 2009.
11. Invoice #01-09 dated May 4, 2009 in the amount of \$1,003.00 from Debra Elmore for Retirement Specialist services rendered as an independent contractor to the Retirement Board for the month of April 2009.

All in favor, motion carried.

Refunds

Motion by George Jondro, supported by Bill Sisk to approve the following refunds:

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- | | | |
|----|--|-------------|
| 1. | Larry Csokasy, deferred, Mental Health | \$ 4,157.69 |
| 2. | Mary Rowland, County Health | \$ 4,542.98 |
| 3. | Nationwide Retirement (FBO Mary Rowland) | \$10,796.20 |

All in favor, motion carried. Nancy Colpaert excused.

Retirement Payments

Motion by Jim Davies, supported by John Fowler to pay the following retirement payments:

- | | | |
|----|--|------------|
| 1. | Julia Bodell, EDRO (pro-rated for May, ex-spouse of Edward Swinkey) | \$ 281.88 |
| 2. | Larry Csokasy, deferred, Mental Health (pro-rated for May) | \$1,232.96 |
| 3. | Mary Rowland, County Health | \$1,762.71 |
| 4. | Edward Swinkey, deferred, Prosecutors (pro-rated for May) | \$ 281.88 |

All in favor, motion carried. Nancy Colpaert excused.

Communications - none

Proposed Resolutions

Motion by Bill Sisk, supported by Jim Morgan to accept and place on file the following resolutions:

1. Nancy L. Barton, Sheriff's Office– Application for Service Retirement
2. Larry Csokasy, deferred, Mental Health – Deferred Service Retirement
3. Mary L. Rowland, County Health – Service Retirement

All in favor, motion carried. Nancy Colpaert excused.

Attorney Report

Mr. Michaud suggested the Board go into closed session to discuss pending securities litigation. Motion by Jim Morgan, supported by George Jondro to go into closed session. Roll call on the motion all in favor with Nancy Colpaert excused. Motion carried.

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Motion by Bill Sisk, supported by George Jondro for legal to take care of items discussed during the closed session. All in favor, motion carried. Nancy Colpaert excused.

Consultant Report

Mr. Galanis reviewed the valuation report for month ending April 30, 2009. The fund is valued at \$145,028,735.53 up \$4,604,219.25 from the previous month. That is an increase of 3.54%.

Highbridge Market Neutral was the only fund down for the month, \$14,598.88 which was -.74%.

Dave Thompson discussed a report that was presented at one of the workshops at the NCPERS Conference. It was an Impact on Performance Report. He would like to see the Board of Trustees get a report similar to that for the Retirement System's money managers. Mr. Galanis would like to see a copy of the report that was presented at NCPERS so he can get an idea of what Mr. Thompson is asking for.

Old Business

- Disability Retiree Re-exams
 - David Funk – Doctor has approved to do his re-examination, just waiting for an invoice from the doctor since he requires a pre-payment.
 - Disability Retiree re-examinations:
 - Richard Barkenquast, Central Dispatch
 - Nickolas Musulin, Buildings & Grounds
 - Sheila Casey, Sheriff Corrections
 - Jerome Vanslambrouck, County Agency
 - David Webb, Road Commission
 - Marie Zion, Central Dispatch

Retirement Specialist is setting up appointments.

- Retirement Specialist replacement status
Bill Sisk sent a letter to the Board of Commissioners asking for the Board to either approve and post the position or to combine the Retirement Specialist duties with the duties of Administrative Assistant to the Board of Commissioners.

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Jim Morgan made the comment that Mr. Sisk wasn't asked to present the combining of the Retirement Specialist duties and the Administrative Assistant duties to the Board of Commissioners. He was only supposed to see if the Board of Commissioners would post the Retirement Specialist position as a full time position. The main responsibility is to the Pension System not the County finances. Mr. Jondro agreed with Mr. Morgan. Mr. Sisk will make a pitch to the Commissioners and bring back to Pension Board for approval.

New Business - none

Trustee Comments

George Jondro reported on the NCPERS Conference. He felt it was a very good educational conference.

Mr. Thompson has checked everyone in for MAPERS.

Mr. Thompson also reported on the NCPERS Conference. George Jondro and he attended an Ad Hoc State and Local Committee meeting on Thursday. Found it be to very informative. The Trustees can get on the NCPERS web site and see the law that addresses education for Trustees. There is also a city in California that has filed for bankruptcy. NCPERS will follow the pensions of that city to see if they are being paid.

Tom Michaud will provide the new Trustees with a copy of the trustee handbook.

Motion by Jim Morgan, supported by George Jondro to adjourn. All in favor, motion carried. Meeting adjourned at 6:30 P.M.

Respectfully Submitted,

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