

# Monroe County Employees Retirement System

840 South Roessler Street, Monroe, MI 48161-1557 (734) 241-1174



## MINUTES

### Monroe County Employees Retirement System Board of Trustees Monday, June 26, 2017

#### 1. Call to Order

A regular meeting of the Monroe County Employees Retirement System Board of Trustees was called to order at 5:00 PM on June 26, 2017 at the Mary K. Daume Library Service Center at 840 South Roessler Street, Monroe, Michigan 48161.

#### 2. Roll Call

Roll call as follows:

##### PRESENT:

George Jondro  
Jeff Koras  
James Morgan

Bob Neely, excused at 6:10 p.m.  
Jason Turner

##### ABSENT:

Nancy Bellaire, excused  
Michael Grodi, excused  
Henry Lievens  
Anne McCarthy, excused

##### ALSO PRESENT:

Joey Becker, Retirement Specialist  
Michael Bosanac, Retirement Secretary  
Thomas Michaud, Legal Counsel arrived at 5:20 p.m.  
Michael Cho, Investment Consultant  
Brian Brice, Investment Consultant  
Tim Brice, Investment Consultant  
Amy Cole, Investment Consultant  
Troy Mooyoung, Morgan Stanley  
Brian Brickey and Manju Patnaik, Plante Moran  
Marcus Anderson, Delaware

A quorum being present, the Board proceeded to transact business.

#### 3. Pledge of Allegiance

Vice Chairman Jondro led the Pledge of Allegiance.

#### 4. Approval of Agenda

Motion by Trustee Neely to approve the agenda as submitted. Supported by Trustee Turner. All in favor. Motion carried.

#### 5. Approval of Minutes

Motion by Trustee Turner to approve the minutes of the May 15, 2017 regular meeting and waive the reading of the minutes. Supported by Trustee Koras. All in favor. Motion carried.

**Monroe County Employees  
Retirement System Board of  
Trustees – Minutes**  
June 26, 2017 – Page 2

**6. Citizens Time**

No citizens wish to address the board.

**7. Consent Agenda**

Motion by Trustee Turner to approve the consent agenda as listed below. Supported by Trustee Morgan.

1. Retirements
  - a. Paula Ochs, General County June 12
2. Financial Reports
  - a. Boyd Watterson client statement for the period ended April 30, 2017.
  - b. Boyd Watterson client statement for the period ended May 31, 2017.
  - c. Boyd Watterson Limited Duration Mid-Grade Fund for the period ended April 30, 2017.
  - d. Boyd Watterson Limited Duration Mid-Grade Fund for the period ended May 31, 2017.
  - e. Boyd Watterson GSA Fund for the period ended April 30, 2017.
  - f. Boyd Watterson GSA Fund for the period ended May 31, 2017.
  - g. Brandywine Global Investment Management Global Fixed Income May 2017.
  - h. Comerica Bank account statement for May 2017.
  - i. Corbin Pinehurst account statement for the period ended April 30, 2017.
  - j. Intercontinental account statement for the period ended March 31, 2017.
  - k. Morgan Stanley client statement for May 2017.
3. Communication
  - a. Robbins Geller Rudman & Dowd settlement report for May 26, 2017.
  - b. Robbins Geller Rudman & Dowd portfolio monitoring report for May 26, 2017.

All in favor. Motion carried.

**8. Approval of Bills**

Motion by Trustee Koras to approve payment for the following invoices, subject to house audit. Supported by Trustee Morgan.

1. Invoice #46359 dated June 12, 2017 in the amount of \$18,613 from Boyd Watterson Asset Management for investment services rendered for the period of March 1, 2017 – May 31, 2017.
2. Invoice in the amount of \$3,493.24 from Comerica Commercial Card Service for MAPERS.
3. Invoice #431506 in the amount of \$8,631.13 from Comercia for custodial services rendered for the period of January 1, 2017 – March 31, 2017.
4. Invoice #1444294 in the amount of \$20,000.00 from Plante Moran for professional services rendered.
5. Invoice dated May 11, 2017 in the amount of \$1,592.50 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of April 1, 2017 – April 30, 2017.
6. Invoice dated June 21, 2017 in the amount of \$1,277.50 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of May 1, 2017 – May 31, 2017.
7. Reimbursement in the amount of \$10.00 to Joey Becker for notary fee expense.

**Monroe County Employees  
Retirement System Board of  
Trustees – Minutes**  
June 26, 2017 – Page 3

8. Reimbursement in the amount of \$352.22 to Joey Becker for expenses incurred for the MAPERS spring conference.
9. Reimbursement in the amount of \$304.41 to Nancy Bellaire for expenses incurred for the MAPERS spring conference.
10. Mileage reimbursement to Michael Grodi in the amount of \$54.68 for meeting with Graystone.
11. Reimbursement in the amount of \$299.60 to Michael Grodi for expenses incurred for the MAPERS spring conference.
12. Reimbursement in the amount of \$291.04 to George Jondro for expenses incurred for the MAPERS spring conference.
13. Reimbursement in the amount of \$353.04 to Bob Neely for expenses incurred for the MAPERS spring conference.

Roll call for approval of the bills as follows:

AYES: George Jondro                      Bob Neely  
         Jeff Koras                              Jason Turner  
         James Morgan

NAYS: None

ABSENT: Nancy Bellaire, excused              Henry Lievens  
         Michael Grodi, excused                  Anne McCarthy, excused

All in favor. Motion carried.

**8A. Refunds**

Motion by Trustee Turner to approve the following refunds. Supported by Trustee Morgan.

- |   |             |
|---|-------------|
| 1. Michael Boczar, Sheriff's Office       | \$21,167.56 |
| Edward Jones Trust Co FBO: Michael Boczar | \$37,387.18 |
| 2. Melissa Crain-Polly, Sheriff's Office  | \$ 4,456.26 |
| 3. Robert Culter, General County          | \$ 1,323.71 |
| 4. Jan Ford, Sheriff's Office             | \$34,725.60 |
| 5. Zachary McFarlane, Road Commission     | \$ 769.59   |

All in favor. Motion carried.

**8B. Retirement Payments**

Motion by Trustee Turner to approve the following retirement payments. Supported by Trustee Morgan.

- |                                     |             |
|-------------------------------------|-------------|
| 1. Michael Boczar, Sheriff's Office | \$ 3,852.75 |
| *May \$3,852.75, June \$3,852.75    |             |
| 2. Robert Culter, General County    | \$ 461.27   |
| *May \$89.28, June \$461.27         |             |
| 3. Jan Ford, Sheriff's Office       | \$ 2,912.81 |
| *May \$1,691.46, June \$2,912.81    |             |

**Monroe County Employees  
Retirement System Board of  
Trustees – Minutes**  
June 26, 2017 – Page 4

4. Elizabeth Kozlowski, Library \$ 724.85  
\*May \$23.39, June \$724.85

All in favor. Motion carried.

**9. Communications**

Motion by Trustee Turner to receive and file the following communications. Supported by Trustee Koras.

**Application for Service Retirement**

1. Douglas Arndt, Sheriff's Office
2. Matthew Bruck, Library
3. Ellen Graves, Mental Health
4. Ernest Greer, General County
5. Joan Meinhart, General County

**Application for Deferred Retirement**

6. Robert Culter, General County

**Application for Deferred Service Status**

7. William Dashner, Mental Health

**Certificate of Attendance**

8. Joey Becker, MAPERS
9. Nancy Bellaire, MAPERS
10. Michael Grodi, MAPERS
11. George Jondro, MAPERS
12. Bob Neely, MAPERS
13. Communication dated April 1, 2017 from Boyd Watterson GSA regarding amendment to agreement of limited partnership.
14. Communication dated June 19, 2017 from Conduent regarding personnel changes.
15. Communication dated June 12, 2017 from Graystone Consulting regarding personnel changes.
16. Communication dated June 13, 2017 from Robbin Geller Rudman & Dowd regarding litigation.

Motion by Trustee Neely to receive and file the following communication. Supported by Trustee Morgan.

**Medical Reports**

17. David Funk

All in favor. Motion carried.

**10. Resolutions**

Motion by Trustee Turner to accept and place on file the following retirement resolutions. Supported by Trustee Koras.

**Service Retirement**

1. Michael Boczar, Sheriff's Office
2. Jan Ford, Sheriff's Office

**Deferred Retirement**

3. Robert Culter, General County
4. Elizabeth Kozlowski, Library

**Monroe County Employees  
Retirement System Board of  
Trustees – Minutes**  
June 26, 2017 – Page 5

**Application for Service Retirement**

5. Douglas Arndt, Sheriff's Office
6. Matthew Bruck, Library
7. Ellen Graves, Mental Health
8. Ernest Greer, General County
9. Joan Meinhart, General County

**Application for Deferred Retirement**

10. Robert Culter, General County

**Disability Retirant Re-examination**

11. David Funk, Sheriff's Office

All in favor. Motion carried.

**11. Presentations**

1. Bill Brickley - Plante Moran, Financial Audit/Statement

Mr. Brickley presented the Monroe County Employees Retirement System Financial Report with Supplemental Information for year ended December 31, 2016.

He discussed the independent auditor's report, management's discussion and analysis, statement of fiduciary net position, statement of changes in fiduciary net position, notes to financial statements, schedule of changes in the system's net pension liability and related ratios, schedule of contributions, and schedule of investment returns.

Mr. Brickley also reviewed internal control related matters identified in the audit, required communications with those charged with Governance, and other recommendations and related information.

Motion by Trustee Neely to accept and place on file the Monroe County Employees Retirement System Financial Report with Supplemental Information for year ended December 31, 2016. Supported by Trustee Turner. All in favor. Motion carried.

2. Marcus Anderson - Delaware

Mr. Anderson reviewed the performance summary. Quarter to date, the fund is up 3.10%, and up 15.38% for 2016 with an annualized 10 year return of 7.74%. He discussed strategy, investment criteria, and their management team.

Trustee Neely questioned the sector allocations. Mr. Anderson stated that we are in a relatively slow growing economy and not comfortable with the potential downside. Year to date the financial sector is one of their best, however the energy sector has been a performance challenge for them.

Trustee Turner questioned the allocation in the healthcare sector. Mr. Anderson stated they want to be cautious, but there is a consistency of demand for healthcare and a good total return.

**12. Consultant's Report**

Mr. Cho reviewed the valuation report for the month ending May 31, 2017. The fund is valued at \$197,056,078.90, down \$99,385.54 from the previous month. The current asset allocation includes 61% in equities, 23% in fixed income, 7% in cash, and 9% in real estate. The Total Fund was up 0.59% for the month and up 5.88% year to date.

Trustee Turner questioned if any changes should be anticipated with the personnel changes at Graystone. Mr. Cho stated the change should be positive. They are always looking to improve on what they already have.

**Monroe County Employees  
Retirement System Board of  
Trustees – Minutes**  
June 26, 2017 – Page 6

Without a quorum being present, a motion by Trustee Turner to adjourn. Supported by Trustee Neely. All in favor.  
Motion carried.

Meeting adjourned at 6:10 P.M.

A discussion was held regarding the following:

**13. Old Business**

1. County Travel Policy 307.1

Administrative Policy Committee is actively working on the policy.

2. Request for Proposal Investment Consultant

Trustee Jondro stated there is a packet outlining the process the Investment Committee has taken to provide the recommendation of the top three candidates.

Trustee Turner stated a lot of effort was put forth by the committee to provide the recommendation.

**14. New Business**

**15. Attorney's Report**

No formal report.

**16. Trustee Comments**

**17. Administrative Calendar**

Vice Chairman Jondro stated the next meeting is July 24, 2017 at 5:00 P.M.

Respectfully Submitted,

Michael Grodi, Chairman  
Monroe County Employees Retirement System

George Jondro, Vice Chairman  
Monroe County Employees Retirement System