

**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 August 23, 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 and David Thompson.

**ABSENT:** None

**ALSO PRESENT:** Sandy Calkins, 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 James Morgan, supported by George Jondro to approve the minutes of the July 26, 2010 regular meeting and July 22, 2010 special meeting. Motion carried.

Motion by James Davies, supported by John Fowler to approve the agenda as submitted. Motion carried.

**Citizens Time** – None

**Presentations** – Cathy Nagy, Gabriel Roeder Smith & Co. – Actuarial Report

Ms. Nagy reviewed the Components of the Actuarial Valuation. She then proceeded with the Highlights of 2009 Valuation. She stated the employer contribution rates have increased slightly for most divisions. She also stated contribution rates are expected to increase in the short term as a result of the unfavorable investment performance from 2008 and in the long term contribution rates are expected to approach the long term cost of the benefits, or the normal cost.

Ms. Nagy discussed the computed contributions for 2010 and the funded ratio for each division. She concluded with the Retirement System continues to be well funded, although funded ratio varies by division.

Motion by Nancy Colpaert, supported by William Myers to transfer amounts from the employer reserves to the retiree reserves to cover the unfunded amount for each division except for the County Agency, the Road Commission, and Central Dispatch. Motion carried.

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Motion by James Davies, supported by Nancy Colpaert to accept the 2009 Actuarial Valuation Report and place on file. Motion carried.

**Presentations** – Michael Serchen, Anchor Capital Advisors

Mr. Serchen introduced himself as First Vice President for Anchor Capital Advisors. He stated the firm is based in Boston, Massachusetts and manages approximately \$9.2 billion in assets.

Mr. Serchen reviewed the investment philosophy and stated Anchor Capital Advisors strives to invest in those Mid Cap securities which are undervalued, while always maintaining prudent and appropriate levels of risk. They also believe that capital preservation is as important as capital appreciation in achieving long-term investment success.

After discussing the portfolio characteristics, portfolio sector weightings and investment performance results, Mr. Serchen believes, Anchor Capital Advisors are comfortably positioned entering 2011.

Motion by William Sisk, supported by George Jondro to approve the consent agenda as listed below.

**A. Retirements**

Paula Whiteman, Mental Health	August 16
Della Carmon, Fairview	August 31
Rosalind Rechel, Fairview	August 31
Kathleen Willets, Fairview	August 31

**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 and Templeton Portfolio Advisors for the period of 07/01/10 through 07/31/10 and Securities Lending Statement for June, 2010.
2. Anchor Capital Advisors Portfolio Summary for the period ended June 30, 2010.
3. Boyd Watterson Asset Management Client Statement for the period ended July 31, 2010.

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4. Brandywine Global Investment Management Global Fixed Income Portfolio for June 2010.
5. 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 July 31, 2010.
6. NWQ Investment Management Portfolio Review for the Second Quarter 2010.
7. Pacific Income Advisers Portfolio Appraisal for the period ended July 31, 2010.
8. Pacific Income Advisers Fixed Income Quarterly Report for the period ended June 30, 2010.
9. Smith Group Asset Management Monthly Portfolio Summary for the period ended July 30, 2010.
10. Templeton Portfolio Advisors Portfolio Quarterly Report for the period ended June 30, 2010.
11. Tradewinds Global Investors Portfolio Review for the Second Quarter 2010.

**C. Communication**

1. Anchor Capital Advisors Investment Policy Outlook.
2. Boyd Watterson Asset Management Quarterly Investment Outlook.
3. Eagle Global Advisors International Market Review and Outlook.
4. Gabriel Roeder Smith & Company News Scan and Research Memorandum.
5. Robbins Geller Rudman & Dowd Litigation Report for the Quarter ended June 30, 2010.

Motion Carried.

**Invoices**

Motion by James Davies, supported by William Sisk to approve for payment the following invoices, subject to house audit:

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1. Invoice dated July 1, 2010 in the amount of \$15,095.62 from Anchor Capital Advisors for investment services rendered for the period of April 1, 2010 – June 30, 2010.
2. Invoice #80330610 dated July 22, 2010 in the amount of \$26,214.29 from Brandywine Global Investment Management for investment services rendered for the period of April 1, 2010 – June 30, 2010.
3. Invoice #364365 in the amount of \$12,482.89 from Comerica Bank for custodial services rendered for the period of April 1, 2010 – June 30, 2010.
4. Invoice #364366 in the amount of \$3,064.51 from Comerica Bank for custodial services rendered for the period of April 1, 2010 – June 30, 2010.
5. Invoice dated July 30, 2010 in the amount of \$1,000.00 from Comerica Commercial Card Service for NCPERS registration.
6. Invoice #1751 dated August 3, 2010 in the amount of \$10.02 from the County of Monroe Finance Department for July 2010 postage.
7. Invoice in the amount of \$13,791.00 from Eagle Global Advisors for investment services rendered for the period of April 1, 2010 – June 30, 2010.
8. Invoice dated July 21, 2010 in the amount of \$13,223.93 from Franklin Templeton Portfolio Advisors for investment services rendered for the period of April 1, 2010 – June 30, 2010.
9. Invoice dated July 20, 2010 in the amount of \$56,900.35 from Morgan Stanley Smith Barney for management fees for the period of April 1, 2010 – June 30, 2010.
10. Invoice #20100803000382 dated June 30, 2010 in the amount of \$14,129.73 from NWQ Investment Management Company for investment services rendered for the period of April 1, 2010 – June 30, 2010.
11. Invoice dated July 13, 2010 in the amount of \$10,703.00 from Pacific Income Advisers for investment services rendered for the period of April 1, 2010 – June 30, 2010.
12. Invoice in the amount of \$5,441.50 from Smith Group Asset Management for investment services rendered for the period of April 1, 2010 – June 30, 2010.

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13. Invoice #30100803000325 dated June 30, 2010 in the amount of \$14,397.60 from Tradewinds Global Investors for investment services rendered for the period of April 1, 2010 – June 30, 2010.
14. Invoice dated July 2, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Johnna Althouse.
15. Invoice dated July 23, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Ronald Bitz.
16. Invoice dated July 21, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Shelia Steiner-Casey.
17. Invoice dated July 28, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Theresa Haynes.
18. Invoice dated July 16, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Roger Lambert.
19. Invoice dated July 14, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Nickolas Musulin.
20. Invoice dated June 18, 2010 in the amount of \$550.00 from Steven Dovitz, M.D. for the independent medical evaluation of Jerome VanSlambrouck.
21. Overpayment payable to Jennie Stanger for \$1,756.74 for the purchase of 5 years of Universal Service Credit.

Motion carried.

**Refunds**

Motion by George Jondro, supported by William Myers to approve the following refunds:

- |   |             |
|---|-------------|
| 1. Craig Abel, County Agency                | \$ 5,874.84 |
| (Edward Jones: FBO Craig Abel)              | \$ 9,152.76 |
| 2. Laura Borawski, Information Technology   | \$ 1,631.39 |
| (Monroe County Comm CU: FBO Laura Borawski) | \$ 3,462.94 |
| 3. Edward Cousino, County Agency            | \$24,055.92 |
| 4. Teresa Fraunhoffer, Sheriff's Office     | \$ 4,393.46 |
| 5. Daniel Gorr, County Agency               | \$36,258.08 |

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6. Andrew Kohler, Sheriff's Office	\$45,520.77
(PNC Bank: FBO Andrew Kohler)	\$46,271.25
7. Jon Madden, County Agency	\$43,487.00
8. Lee Markham, Planning	\$ 2,837.07
9. Brenda Montri, District Court	\$12,085.15
(Fifth Third Securities: FBO Brenda Montri)	\$17,627.97
10. Sandra Nadeau, Sheriff's Office	\$16,598.69
(Oppenheimer Funds: FBO Sandra Nadeau)	\$ 6,661.22
11. Robert Rousseau, County Agency	\$ 6,109.48
(Nationwide: FBO Robert Rousseau)	\$ 9,631.37
12. Patricia Standifer, Fairview	\$ 6,857.33
13. Paul Steinman, County Agency	\$ 6,884.97
(Great West: FBO Paul Steinman)	\$11,330.97
14. Peggy Tyniw, Information Technology	\$ 6,647.89
(AXA Equitable: FBO Peggy Tyniw)	\$18,483.03
15. Jack Vitale, District Court	\$ 6,836.59
(State of Michigan: FBO Jack Vitale)	\$ 4,910.86
16. Laureen Wehner, District Court	\$ 3,465.53
(Nationwide: FBO Laureen Wehner)	\$ 8,435.48
17. Jane Winkelman, District Court	\$ 5,284.11

Motion carried.

**Retirement Payments**

Motion by William Sisk, supported by Anne McCarthy to approve the following retirement payments:

1. Craig Abel, County Agency	\$ 5,446.68
**July \$2,723.34	
2. Sandra Baldwin, County Clerk	\$ 4,023.74
**July \$2,011.87	
3. Laura Borawski, Information Technology	\$ 3,651.62
**July \$1,825.81	
4. Geraldine Bruck, Sheriff's Office	\$ 2,131.23
**June \$163.95, July \$983.64	
5. Delinda Cooner, Youth Center	\$ 5,468.14
**July \$2,734.07	
6. Edward Cousino, County Agency	\$ 7,052.92
**July \$3,526.46	
7. Carolyn Cron, Finance	\$ 7,336.02
**July \$3,668.01	

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8. Melissa Draganic, Extension **June \$274.15, July \$1,644.95	\$ 3,564.05
9. Anna Essary, Friend of the Court **July \$1,230.74	\$ 2,461.48
10. Teresa Fraunhoffer, Sheriff's Office **July \$2,555.41	\$ 5,110.82
11. Veronica Gelso, Youth Center **July \$2,665.21	\$ 5,330.42
12. Daniel Gorr, County Agency **July \$3,103.86	\$ 6,207.72
13. Rose Jablonski, Sheriff's Office **July \$1,078.01	\$ 2,156.02
14. Michael Jondro, Building and Grounds **July \$1,807.59	\$ 3,615.18
15. Vickie Koczman, Board of Commissioners **July \$1,812.97	\$ 3,625.94
16. Andrew Kohler, Sheriff's Office **July \$4,058.27	\$ 8,116.54
17. Antonina Lewis, Probate Court **July \$2,197.52	\$ 4,395.04
18. Vanessa Longsworth, County Clerk **July \$1,741.88	\$ 3,725.86
19. Pamela Lynch, Health Department **June \$912.60, July \$2,281.58	\$ 5,475.76
20. Jon Madden, County Agency **July \$2,951.69	\$ 5,903.38
21. Lee Markham, Planning **July \$2,385.31	\$ 4,770.62
22. Diane Michaud, Extension **June \$175.05, July \$1,050.42	\$ 2,275.89
23. Brenda Montri, District Court **July \$1,872.88	\$ 3,745.76
24. Sandra Nadeau, Sheriff's Office **July \$1,819.68	\$ 3,639.36
25. Maureen Pfund, Health Department **July \$3,949.91	\$ 7,899.82
26. Kellie Pierce, Probate Court **July \$2,770.11	\$ 5,540.22
27. Diana Powell, Youth Center **July \$3,056.74	\$ 6,113.48

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28. Betty Roosenberg, Employment and Training **July \$1,103.26	\$ 2,206.52
29. Robert Rousseau, County Agency **June \$480.35, July \$2,881.99	\$ 6,244.33
30. Carole Snider, Health Department **July \$2,014.01	\$ 4,028.02
31. Patricia Standifer, Fairview **June \$362.05, July \$2,172.18	\$ 4,706.41
32. Jennie Stanger, Extension **July \$2,276.40	\$ 4,552.80
33. Paul Steinman, County Agency **June \$1,592.28, July \$3,980.64	\$ 9,553.56
34. Sharon Sullins, County Agency **July \$2,099.87	\$ 4,199.74
35. Judy Thomas, Probate Court **July \$3,565.99	\$ 7,131.98
36. Peggy Tyniw, Information Technology **July \$3,474.02	\$ 6,948.04
37. Laureen Wehner, District Court **June \$404.45, July \$2,426.84	\$ 5,258.13
38. Jane Winkelman, District Court **July \$1,978.29	\$ 3,956.58
39. Pamela Moskwa, Probate Court **July \$1,252.63	\$ 2,505.26
40. Louise Proctor, Health Department **June \$1,068.24, July \$2,670.46	\$ 6,409.16
41. Stevan Richardville, Sheriff's Office **July \$1,520.81	\$ 3,041.62

Motion carried.

**Communications**

Motion by James Morgan, supported by James Davies to accept and place on file the following applications for Purchase of Universal Service Credit:

1. Joan Meinhart, Buildings & Grounds
2. Laura Papenhagen, Fairview

Motion carried.

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Motion by James Morgan, supported by James Davies to accept and place on file the following applications for Service Retirement:

3. Ruth Bazick, Mental Health
4. Cora Lucy DeSilvis, District Court
5. Diana Powell, Youth Center
6. Kathleen Willets, Fairview

Motion carried.

Motion by James Morgan, supported by James Davies to accept and place on file the following application for Disability Retirement:

7. Brian Murray, Sheriff's Office

Motion by James Morgan, supported by James Davies to accept and place on file the following application for Deferred Service Status:

8. Gary Robinson, Sheriff's Office

Motion carried.

9. Medical report dated July 23, 2010 from Steven Dovitz, M.D. regarding an independent medical evaluation of Ronald Bitz.

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

10. Medical report dated July 21, 2010 from Steven Dovitz, M.D. regarding an independent medical evaluation of Sheila Steiner-Casey.

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

11. Medical report dated July 28, 2010 from Steven Dovitz, M.D. regarding an independent medical evaluation of Theresa Haynes.

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

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12. Medical report dated July 16, 2010 from Steven Dovitz, M.D. regarding an independent medical evaluation of Roger Lambert.

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

13. Medical report dated July 14, 2010 from Steven Dovitz, M.D. regarding an independent medical evaluation of Nickolas Musulin.

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

**Proposed Resolutions**

Motion by James Davies, supported by George Jondro to accept and place on file the following applications for Service Retirement resolutions:

1. Ruth Bazick, Mental Health
2. Cora Lucy DeSilvis, District Court
3. Diana Powell, Youth Center
4. Kathleen Willets, Fairview

Motion carried.

Motion by James Davies, supported by George Jondro to accept and place on file the following application for Disability Retirement resolution:

5. Brian Murray, Sheriff's Office

Motion carried.

Motion by James Davies, supported by George Jondro to accept and place on file the following Disability Retirant Re-examination resolutions:

6. Ronald Bitz, Road Commission
7. Sheila Steiner-Casey, Sheriff's Office
8. Theresa Haynes, Buildings & Grounds
9. Roger Lambert, Central Dispatch
10. Nickolas Musulin, Buildings & Grounds

Motion carried.

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Motion by James Davies, supported by George Jondro to accept and place on file the following Service Retirement resolutions:

11. Craig Abel, County Agency
12. Sandra Baldwin, County Clerk
13. Laura Borawski, Information Technology
14. Geraldine Bruck, Sheriff's Office
15. Delinda Cooner, Youth Center
16. Edward Cousino, County Agency
17. Carolyn Cron, Finance
18. Melissa Draganic, Extension
19. Anna Essary, Friend of the Court
20. Teresa Fraunhoffer, Sheriff's Office
21. Veronica Gelso, Youth Center
22. Daniel Gorr, County Agency
23. Rose Jablonski, Sheriff's Office
24. Michael Jondro, Building and Grounds
25. Vickie Koczman, Board of Commissioners
26. Andrew Kohler, Sheriff's Office
27. Antonina Lewis, Probate Court
28. Vanessa Longsworth, County Clerk
29. Pamela Lynch, Health Department
30. Jon Madden, County Agency
31. Lee Markham, Planning
32. Diane Michaud, Extension
33. Brenda Montri, District Court
34. Sandra Nadeau, Sheriff's Office
35. Maureen Pfund, Health Department
36. Kellie Pierce, Probate Court
37. Diana Powell, Youth Center
38. Betty Roosenberg, Employment and Training
39. Robert Russeau, County Agency
40. Carole Snider, Health Department
41. Patricia Standifer, Fairview
42. Jennie Stanger, Extension
43. Paul Steinman, County Agency
44. Sharon Sullins, County Agency
45. Judy Thomas, Probate Court
46. Peggy Tyniw, Information Technology
47. Laureen Wehner, District Court
48. Jane Winkelman, District Court

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49. Pamela Moskwa, Probate Court
50. Louise Proctor, Health Department
51. Stevan Richardville, Sheriff's Office

Motion carried.

Motion by James Davies, supported by George Jondro to accept and place on file the following Purchase of Universal Service Credit resolutions:

52. Marilyn Beste, Employment and Training
53. Cora Lucy DeSilvis, District Court
54. Geoffrey Kovenich, Sheriff's Office
55. Gary Kujawa, Sheriff's Office
56. Mary Linzie, Sheriff's Office
57. Michelle O'Connor, District Court
58. Tod O'Lone, Sheriff's Office
59. Kellie Pierce, Probate Court
60. Michael Woolford, Equalization
61. Cynthia Wertenberger, County Agency
62. Dale Zorn, Board of Commissioners

Motion carried.

**Attorney Report**

No formal report.

**Consultant Report**

Mr. Galanis reviewed the valuation report for month ending July 31, 2010. The fund is valued at \$167,315,848.98 up \$5,942,081.37 from the previous month.

The Total Fund was up 4.0%. Alpine was up 14.03%, Anchor Capital was up 5.45% and Eagle Global was up 9.50%. The current asset allocation includes 53.02% in fixed income, 42.50% in equity, and 4.48% in cash.

Mr. Galanis discussed the four Emerging Market Managers and the Retirement Board will review and make a decision at the September meeting.

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**Old Business**

- Legal contract – RFP has been sent out.

**New Business - None**

**Trustee Comments - None**

Motion by James Morgan, supported by George Jondro to adjourn. Motion carried.  
Meeting adjourned at 6:30 P.M.

Respectfully Submitted,

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