

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, November 23, 2015

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 November 23, 2015 at the Mary K. Daume Library Service Center at 840 South Roessler Street, Monroe, Michigan 48161.

2. Roll Call

Roll call as follows:

PRESENT

Nancy Bellaire	George Jondro
Michael Grodi	James Morgan
Joseph Hudson	Al Potratz

James Davies, Anne McCarthy, and Jason Turner (excused)

ALSO PRESENT:

Sandy Calkins, Retirement Specialist
Michael Bosanac, Retirement Secretary 5:07-5:25
Michael Cho, Investment Consultant
Michael Holycross, Investment Consultant
Thomas Michaud, Legal Counsel
Amer Hasan, Brandywine
John Hackett and Jeff Barone, Townsend Realestate
Ray Kivett and Todd Fowler, American Realty Advisors

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

3. Pledge of Allegiance

Chairman Grodi led the Pledge of Allegiance.

4. Approval of Agenda

Motion by Trustee Morgan to approve the agenda as amended adding item 8-8, mileage reimbursement for Al Potratz, adding item 8-9, legal invoice, adding item 11-2 presentation, Townsend Realestate, adding item 11-3 presentation, American Realty Advisors, and removing item 9-6, citizen-at-large recommendation. Supported by Trustee Jondro.

All in favor. Motion carried.

**Monroe County Employees
Retirement System Board of
Trustees – Minutes**
November 23, 2015 – Page 2

5. Approval of Minutes

Motion by Trustee Jondro to approve the minutes of the October 26, 2015 regular meeting and waive the reading of the minutes. Supported by Trustee Hudson.

All in favor. Motion carried.

6. Citizens Time

No citizens in attendance.

7. Consent Agenda

Motion by Trustee Jondro to approve the consent agenda as listed below. Supported by Trustee Bellaire.

1. Retirements
2. Financial Reports
 1. Boyd Watterson statement of account as of October 31, 2015.
 2. Brandywine Global Investment Management Global Fixed Income October 2015.
 3. Comerica Bank account statement for October 2015.
 4. Morgan Stanley client statement for October 2015.
3. Communication
 1. Robbins Geller Rudman & Dowd Settlement Report for October 30, 2015.
 2. Robbins Geller Rudman & Dowd Portfolio Monitoring Report for October 30, 2015.

All in favor. Motion carried.

8. Approval of Bills

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

1. Invoice #2252107 dated November 13, 2015 in the amount of \$5,750.00 from Buck Consultants for the third installment for basic actuarial services.
2. Invoice #5671 dated November 10, 2015 in the amount of \$14,725.49 from Monroe County Library System for retirement services through September 30, 2015.
3. Invoice dated October 30, 2015 in the amount of \$4,559.00 from Comerica Commercial Card Service for MAPERS.
4. Invoice dated November 4, 2015 in the amount of \$148,332.87 from Morgan Stanley for management fees for the period of July 1, 2015 – September 30, 2015.
5. Refund in the amount of \$75.00 to James Davies for MAPERS guest registration refund.
6. Reimbursement in the amount of \$313.38 to Anne McCarthy for expenses incurred for the 2015 Fall MAPERS conference.
7. Reimbursement in the amount of \$325.45 to James Morgan for expenses incurred for the 2015 Fall MAPERS conference.

**Monroe County Employees
Retirement System Board of
Trustees – Minutes**
November 23, 2015 – Page 4

8. Communication dated November 11, 2015 from Randy Pierce, Monroe County Road Commission Managing Director regarding issuance of 13th checks for 2015.

All in favor. Motion carried.

10. Resolutions

Motion by Trustee Jondro to accept and place on file the following retirement resolutions. Supported by Trustee Morgan.

Service Retirement

1. Mary Francis, General County

Application for Service Retirement

2. Alan Frank, Central Dispatch
3. Jane Terwilliger, Mental Health
4. Deborah Toro, General County

All in favor. Motion carried.

11. Presentations

1. Amer Hasan, Brandywine

Mr. Hasan provided an overview of the economy and the current market conditions. Mr. Hasan also reviewed the portfolio and discussed the investment philosophy, portfolio positioning and macro overview. Year to date the fund is down 5.30%.

2. John Hackett and Jeff Barone, Townsend

Mr. Hackett provided a firm overview. He discussed the investment platform and structure as well as reviewed investment performance, platform snapshot, and the investment outlook.

3. Todd Fowler and Ray Rivett, American Realty Advisors

Mr. Rivett addressed the firm's mission statement and provided a firm overview. He discussed risk management, client focus, the firm's investment philosophy, fundamental principles, and the investment process.

12. Consultant's Report

Mr. Cho reviewed the valuation report for the month ending October 31, 2015. The fund is valued at \$186,272,323.68 up \$8,015,701.25 from the previous month. The current asset allocation includes 62% in equities, 23% in fixed income, 3% in cash, 6% in alternative investments, and 6% in real estate. The Total Fund was up 4.87% for the month and up 1.08% year to date.

Mr. Cho reviewed the Investment Manager Performance Report for the third quarter 2015. The fund is valued at \$178,534,020.00. The current asset allocation includes 59.7% in equities, 23.7% in fixed income, 3.8% in cash, 6.3% in alternative investments, and 6.5% in real estate. The Total Fund was down 5.80% for the current quarter and down 3.54% year to date.

Mr. Holycross addressed Intercontinental. The company has placed the employee on a leave of absence until he finishes his degree. Morgan Stanley is conducting further due diligence on the company.

**Monroe County Employees
Retirement System Board of
Trustees – Minutes**
November 23, 2015 – Page 5

13. Old Business

1. Code of Conduct/Education/Travel/Due Diligence Policy and County Travel Policy 307.1

Trustee Grodi advised that this issue is in the process of being reviewed.

14. New Business

1. Summary Annual Report to Members

Motion by Trustee Morgan to accept the report and place on file. Supported by Trustee Jondro.

All in favor. Motion carried.

15. Attorney's Report

No formal report.

16. Trustee Comments

Board members wished each other a Happy Thanksgiving.

17. Administrative Calendar

18. Adjourn

Motion by Trustee Morgan to adjourn. Supported by Trustee Jondro.

All in favor. Motion carried.

Meeting adjourned at 7:15 P.M.

Respectfully Submitted,

Michael Grodi, Chairman
Monroe County Employees Retirement System