

**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 December 10, 2012 in the Board of Commissioners Meeting Room at 125 East Second Street, Monroe, Michigan.

PRESENT: James Davies, Michael Grodi, Joseph Hudson, George Jondro, Henry Lievens, Anne McCarthy, James Morgan and William Sisk

ABSENT: Nancy Bellaire (Excused)

ALSO PRESENT: Audrey Lewis, Deputy Clerk, Royce Maniko, Retirement Secretary, Michael Cho, Investment Consultant and Thomas Michaud, Legal Counsel

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

Vice Chairman Morgan led the Pledge of Allegiance.

Motion by Michael Grodi, Supported by William Sisk to approve the minutes from the November 26, 2012 regular meeting.

Motion carried.

Motion by Joseph Hudson, supported by Anne McCarthy to approve the agenda.

Motion carried.

Citizens Time – No one addresses

Presentations – None

Motion by William Sisk, supported by James Davies to approve the consent agenda as listed below:

Consent Agenda

A. Retirements

Kristine Tomczak, Library

December 4

Barbara Zorn, Library

December 20

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B. Financial Reports – On File with Retirement Specialist

1. Comerica Bank Securities Lending Statement for October 2012.
2. Comerica Bank Collateral Investment Summary as of October 26, 2012.

C. Communication

1. Robbins Geller Rudman & Dowd Settlement Report for December 2012.
2. Robbins Geller Rudman & Dowd Portfolio Monitoring Report for the Quarter Ended September 30, 2012.

Motion carried.

Invoices

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

1. Invoice #388491 in the amount of \$2,306.17 from Comerica Bank for custodial services rendered for the period of July 1, 2012 – September 30, 2012.
2. Invoice #388490 in the amount of \$618.19 from Comerica Bank for custodial services rendered for the period of July 1, 2012 – September 30, 2012.
3. MAPERS 2013 Membership dues in the amount of \$100.00.
4. Invoice #20121101000542 dated September 30, 2012 in the amount of \$10,624.26 from Tradewinds Global Investors for investment services rendered for the period of July 1, 2012 – September 30, 2012.
5. Invoice dated November 26, 2012 in the amount of \$1,365.00 from Vanoverbeke, Michaud & Timmony for legal services rendered for the period of October 1, 2012 – October 31, 2012.

Motion carried.

Refunds

Motion by James Morgan, supported by Michael Grodi to approve the following refund:

1. Allen Newsome, Road Commission \$11,638.91
Motion carried.

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Retirement Payments

Motion by Michael Grodi, supported by William Sisk to approve the following retirement payments:

- | | |
|-----------------------------------|-------------|
| 1. Helen Cotton, Youth Center | \$ 1,283.04 |
| **November \$183.30 | |
| 2. Polly Minke, Youth Center | \$ 2,220.53 |
| **November \$317.20 | |
| 3. Allen Newsome, Road Commission | \$ 663.68 |
| **November \$94.80 | |
- Motion carried.

Communications

Motion by Anne McCarthy, supported by James Davies to accept and place on file the following communication from Randy Pierce:

1. Communication dated November 26, 2012 from Randy Pierce, Interim Managing Director of the Monroe County Road Commission concerning issuance of 13th checks for 2012.
Motion carried.

Motion by Anne McCarthy, supported by James Davies to accept and place on file the following communication from Nancy Bellaire:

2. Communication dated November 26, 2012 from Nancy Bellaire, Director of the Monroe County Library System concerning issuance of 13th checks for 2012.
Motion carried.

Motion by Anne McCarthy, supported by James Davies to accept and place on file the following communication regarding the Supplemental Pension Benefit Resolution and Amendment to Section 8.6 of the Monroe County Employees Retirement System Ordinance:

3. Communication dated October 1, 2012 regarding the Supplemental Pension Benefit Resolution and Amendment to Section 8.6 of the Monroe County Employees Retirement System Ordinance.

Michael Grodi asked the board if there was anything further action that the board needed to take in regards to the Resolution and Amendment and reply by Counsel was, no.

Motion carried.

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Application for Service Retirement

Motion by Anne McCarthy, supported by James Davies to accept and place on file the following application for service retirement:

4. Paula Czapich, Probate Court
Motion carried.

Application for Deferred Retirement

Motion by James Davies, supported by Nancy Bellaire to accept and place on file the following applications for service retirement:

5. Allen Newsome, Road Commission
Motion carried.

Proposed Resolutions

Motion by Michael Grodi, supported by James Davies to accept and place on file the following Application for Service Retirement resolution:

1. Paula Czapich, Probate Court
Motion carried.

Motion by Michael Grodi, supported by James Davies to accept and place on file the following Application for Deferred Service Retirement resolution:

2. Allen Newsome, Road Commission
Motion carried.

Motion by Michael Grodi, supported by James Davies to accept and place on file the following Deferred Service Retirement resolution:

3. Allen Newsome, Road Commission
Motion carried.

Motion by Michael Grodi, supported by Joseph Hudson to accept and place on file the following Disability Retirement resolutions:

4. Helen Cotton, Youth Center
5. Polly Minke, Youth Center
Motion carried.

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Attorney's Report

Thomas Michaud requested the board to go into closed session because of the nature of litigation to be discussed.

Motion by William Sisk, supported by Michael Grodi to go into closed session @ 5:07 pm.

Roll call by Clerk as follows:

Ayes

George Jondro
James Davies
Michael Grodi
Joseph Hudson
Henry Lievens
Anne McCarthy
James Morgan
William Sisk

Nay

Absent

Nancy Bellaire (excused)

Motion Carried

Reopen session at 5:21 pm.

Consultant's Report

Mr. Cho reviewed the valuation report for the month ending November 30, 2012. The fund is valued at \$173,728,905.96 down \$255,746.76 from the previous month. The current asset allocation includes 48.76% in equity managers, 49.74% in fixed income managers, and 1.51% in cash managers. The Total Fund was up .45% and up 8.10% YTD.

Asset Allocation currently is 46% in Equities, 46% in Fixed Income and 8% in Cash.

Mr. Cho briefly overviewed the performance of managers. Anchor Capital, Federated, NWQ, Tradewinds and Lazard Emerging Markets all underperformed for the month.

Anne McCarthy asked if in the future the quarterly reports could possibly be received earlier, maybe even a week in advance, so that they could have more time to review. Mr. Cho said that he would look into alternatives or combining managers and present at a future meeting.

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Old Business

- Disability Re-examinations – Ronald Whited (letter was sent) - Continue to Old Business
- Confidentiality Agreement – continues to be pending
- Monroe County Employees’ Retirement System Professional & Clerical Services Agreement – Chairman Jondro appointed a committee of Michael Grodi, Jim Morgan and Nancy Bellaire to review the agreement, meet with administration and get more specific information about the agreement and what the Retirement Boards involvement would be.

New Business – Motion by James Davies, supported by Michael Grodi to set meeting schedule and administrative calendar for 2013.

The following is a list of Retirement Board meetings that are scheduled for 2013.

January 28	5:00 P.M.
February 25	5:00 P.M.
March 25	5:00 P.M.
April 22	5:00 P.M.
May 13	5:00 P.M.
June 24	5:00 P.M.
July 22	5:00 P.M.
August 26	5:00 P.M.
September 16	5:00 P.M.
October 28	5:00 P.M.
November 25	5:00 P.M.
December 9	5:00 P.M.

These meetings will take place in the Board of Commissioners Chambers, 1st floor Annex Building, 125 East Second Street, Monroe, Michigan.

Motion carried.

Chairman’s Report – Chairman Jondro recognized both Royce Maniko and William Sisk with plaques for their service.

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Trustee Comments

William Sisk – stated that he has been on this board for seven years and has truly enjoyed every second. He applauds every member on the board for all of their time and effort put into this board. To Mr. Michaud, William Sisk said that he has true respect for him and he thinks that he serves this board well. To Mr. Cho, he has not let this board down, as the number on the reports illustrate; he has done a great job and will continue to do a great job. William Sisk also thanked Mr. Davies for his commitment to the board.

Michael Grodi – stated that being on this board has been the most fun for him of all the boards that he has served. He appreciates the time that both Royce Maniko and William Sisk have put into being on this board and also thanks everybody on the board that supported his reelection to the Board and wishes everyone a Merry Christmas.

Henry Lievens – commented on agreeance

Anne McCarthy – said thank you for all of their time and effort and offered congratulations to both Royce Maniko and William Sisk.

Joseph Hudson – congratulates Royce Maniko and wishes him luck in his retirement and to William Sisk, he know that he will be seeing him around the board room in the future.

James Davies – thanked both Royce Maniko and William Sisk for their service and wishes everyone on the board a Merry Christmas.

James Morgan – said that he appreciates Royce Maniko and William Sisk for their service.

George Jondro – said that he appreciates having worked with Royce Maniko and William Sisk and with the County as well. They both have been a pleasure to make working in the County enjoyable. Their inputs and inspiration have been wonderful. Congratulations to Mr. Grodi for his reelection and Merry Christmas to everyone and Good Luck to Royce Maniko and William Sisk in the future.

Motion by Ann McCarthy, supported by William Sisk to adjourn. Motion carried. Meeting adjourned at 5:49 P.M.

Respectfully Submitted,

George Jondro, Chairman
Monroe County Employees Retirement System
Board of Trustees