

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, October 23, 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 October 23, 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:

Nancy Bellaire	Anne McCarthy
Michael Grodi	James Morgan
George Jondro	
Jeff Koras	

ABSENT:

Henry Lievens
Bob Neely, excused
Jason Turner

ALSO PRESENT:

Joey Becker, Retirement Specialist
Michael Bosanac, Retirement Secretary
Thomas Michaud, Legal Counsel arrived at 5:03 p.m.
Brian Green, Investment Consultant
Paul Robinson, MCLS

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 McCarthy to approve the amended agenda. Supported by Trustee Bellaire. All in favor. Motion carried.

5. Approval of Minutes

Motion by Vice Chairman Jondro to approve the minutes of the September 25, 2017 regular meeting and waive the reading of the minutes. Supported by Trustee Koras. All in favor. Motion carried.

6. Citizens Time

No citizens wish to address the board.

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6A. Google Chromebooks

Mr. Robinson reviewed instructions on how to use the Chromebooks. Mr. Robinson explained the benefits and costs of establishing mcers.org email addresses for the trustees.

Motion by Vice Chairman Jondro to approve mcers.org emails for the trustees. Supported by Trustee Morgan. All in favor. Motion carried.

7. Consent Agenda

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

1. Financial Reports
 - a. Boyd Watterson client statement for the period ended September 30, 2017.
 - b. Boyd Watterson Limited Duration Mid-Grade Fund for the period ended September 30, 2017.
 - c. Boyd Watterson GSA Fund for the period ended September 30, 2017.
 - d. Brandywine Global Investment Management Global Fixed Income September 2017.
 - e. Clarkston Capital Partners quarterly statement for September 30, 2017.
 - f. Comerica Bank account statement for September 2017.
 - g. Corbin Pinehurst account statement for the period ended August 31, 2017.
 - h. Morgan Stanley client statement for September 2017.
2. Communication
 - a. Robbins Geller Rudman & Dowd settlement report for September 29, 2017.
 - b. Robbins Geller Rudman & Dowd portfolio monitoring report for September 29, 2017.
 - c. Robbins Geller Rudman & Dowd international portfolio monitoring report for Q3 2017.
 - d. Robbins Geller Rudman & Dowd repose report for Q3 2017.

All in favor. Motion carried.

8. Approval of Bills

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

1. Invoice dated September 30, 2017 in the amount of \$19,218 from Clarkston Capital Partners for investment services rendered for the period of July 31, 2017 – September 30, 2017.
2. Invoice #5846 in the amount of \$3,340.08 from Monroe County Library System for Dell Chromebooks and Amazon Basics laptop and tablet bags.
3. Invoice #5844 in the amount of \$17,291.48 from Monroe County Library System for retirement services rendered for July 1, 2017 – September 30, 2017.
4. Invoice in the amount of \$2,634.84 from Comerica Commercial Card Service for monthly QuickBooks online fee, postage, office supplies, and MAPERS conference.
5. Invoice #7614 in the amount of \$250.00 from NCPERS for 2018 membership fees.
6. Invoice dated October 10, 2017 in the amount of \$40,701.00 from Seizert Capital for investment services rendered for the period of July 1, 2017 – September 30, 2017.

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7. Invoice dated October, 2017 in the amount of \$6,527.50 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of September 1, 2017 – September 30, 2017.
8. Reimbursement in the amount of \$340.33 to Bob Neely for expenses incurred for the MAPERS Fall conference.

Roll call for approval of the bills as follows:

AYES: Nancy Bellaire Jeff Koras
 Michael Grodi Anne McCarthy
 George Jondro James Morgan

NAYS: None

ABSENT: Henry Lievens, absent Bob Neely, excused Jason Turner, absent

All in favor. Motion carried.

8A. Refunds

Motion by Trustee McCarthy to approve the following refunds. Supported by Trustee Koras. All in favor. Motion carried.

1. Joan Meinhart, General County
Nationwide FBO: Joan Meinhart \$ 3,532.31
2. Kurt Potratz, Sheriff's Office \$ 52,200.94

Motion by Trustee McCarthy to approve the following retirement payments. Supported by Trustee Koras. All in favor. Motion carried.

8B. Retirement Payments

1. Matthew Bruck, Library System \$ 2,019.88
*September \$1,077.28, October \$2,019.88
2. Joan Meinhart, General County \$ 1,104.87
*August \$356.40, September \$1,104.87
3. Kurt Potratz, Sheriff's Office \$ 4,554.46
*September \$910.91, October \$4,554.46

9. Communications

Motion by Vice Chairman Jondro to receive and file the following communications. Supported by Trustee Bellaire. All in favor. Motion carried.

Application for Deferred Retirement

1. Michelle Ashcraft, General County
2. Patsy Sharp, Mental Health

Application for Disability Retirement

3. Kelli Desilvis, Sheriff's Office

Application for Service Retirement

4. Cynthia Green, Library System
5. Monica Marcinak, Mental Health

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6. Heath Velliquette, Sheriff's Office

Certificate of Attendance

7. Joey Becker, MAPERS
8. Nancy Bellaire, MAPERS
9. Michael Grodi, MAPERS
10. Anne McCarthy, MAPERS
11. Bob Neely, MAPERS
12. Jason Turner, MAPERS

13. Communication dated September 20, 2017 from Michael Bosanac, Administrator/Chief Financial Officer for the County of Monroe regarding Board of Commissioners approval of Post-Retirement Supplemental Pension Benefit Payment of \$50,000 aggregate amount for 2017.

10. Resolutions

Motion by Trustee Bellaire to accept and place on file the following retirement resolutions. Supported by Vice Chairman Jondro. All in favor. Motion carried.

Service Retirement

1. Matthew Bruck, Library System
2. Joan Meinhart, General County

Duty Disability Retirement

3. Kurt Potratz, Sheriff's Office

Application for Service Retirement

4. Cynthia Green, Library System
5. Monica Marcinak, Mental Health
6. Heath Velliquette, Sheriff's Office

Application for Deferred Retirement

7. Michelle Ashcraft, General County
8. Patsy Sharp, Mental Health

Application for Disability Retirement

9. Kelli Desilvis, Sheriff's Office

11. Consultant's Report

The valuation report for the month ending September 30, 2017 showed the fund is valued at \$203,351,058.46, up \$1,403,145.54 from the previous month. The current asset allocation includes 60% in equities, 20% in fixed income, 3% in cash, 8% in alternative investments, and 9% in real estate. The total fund was up 1.27% for the month and up 10.06% year to date.

Mr. Green stated that the movement of assets from Morgan Stanley to Comerica is complete. Some residual dividends and interest are still coming in.

Trustee McCarthy questioned how the funds are doing since the transfer.

Mr. Green stated there are no concerns at this time. He met with Seizert and Clarkston Capital for due diligence reviews. AndCo was pleased with the reviews.

Trustee McCarthy questioned what made Mr. Green feel good about Seizert.

Mr. Green stated that Seizert has not had any deviations from their process. Seizert is following the same process when building portfolios as they did when their returns were exceeding the benchmark.

Trustee Morgan questioned if Mr. Green felt there was a timeline until Seizert's performance would turn around.

Mr. Green stated 7-10 years. Seizert is a long term investment. It is not an investment that would be liquidated for cash needs in the near future. We marry the asset allocation to the cash needs.

Trustee Bellaire questioned what happens when the market cools off.

Mr. Green stated that's why we marry the asset allocation to the cash needs. There is less volatility that way.

12. Old Business

1. Service Provider Disclosures

The Retirement Specialist will forward the disclosures that have not been returned to Mr. Green to obtain from the investment managers.

2. Request for Information for Legal Services

No responses were received regarding the Request for Information for Legal Services.

Motion by Vice Chairman Jondro to renew the contract with VanOverbeke, Michaud & Timmony for five years. Supported by Trustee Bellaire. All in favor. Motion carried.

13. New Business

1. Request for analysis of April Kipf's retirement account

Chairman Grodi questioned Mr. Michaud in regards to the expense of the analysis for Ms. Kipf. Mr. Michaud stated the Retirement System cannot be responsible for the cost.

14. Attorney's Report

1. Amanda M. Opperman v. Todd Opperman, DRO

Motion by Trustee McCarthy to accept and place on file. Supported by Trustee Koras. All in favor. Motion carried.

15. Trustee Comments

Trustee Morgan welcomed Mr. Green. He stated he is comfortable with Mr. Green's comments regarding Seizert. Trustee Morgan asked the retirement specialist to call him when sending any communication via email.

Trustee McCarthy welcomed Mr. Green. She asked Mr. Green to bottom line any answers to her questions.

Vice Chairman Jondro welcomed Mr. Green. He stated he was glad to have Mr. Michaud continue his service. He also thanked everyone for all their hard work with the transition.

Trustee Bellaire thanked Mr. Green for his help with the transition.

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Chairman Grodi thanked Mr. Green and Mr. Castle with VanOverbeke, Michaud & Timmony for all their hard work with the transition. He stated that Ms. Ryan at Comerica has worked very hard on the transition. Mr. Cho has been great on the backend as well. He thanked Mr. Michaud for all his work. He attended the NCPERS conference and feels that it would benefit the Board to learn about private equities. He also attended a very fascinating session on companies that are transporting opioids, and wants to make sure the Board is being socially responsible when choosing investments.

16. Administrative Calendar

Chairman Grodi stated the next meeting is November 27, 2017 at 5:00 P.M.

17. Adjourn

Motion by Trustee McCarthy to adjourn. Supported by Trustee Morgan. All in favor. Motion carried.

Meeting adjourned at 6:10 P.M.

Respectfully Submitted,

Michael Grodi, Chairman
Monroe County Employees Retirement System

George Jondro, Vice Chairman
Monroe County Employees Retirement System