

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, December 11, 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 December 11, 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:

Michael Grodi	James Morgan, arrived at 5:04 p.m.
George Jondro	Bob Neely
Jeff Koras	Jason Turner
Anne McCarthy, left at 5:21 p.m.	

ABSENT:

Nancy Bellaire, excused
Henry Lievens, excused

ALSO PRESENT:

Joey Becker, Retirement Specialist
Michael Bosanac, Retirement Secretary, arrived at 5:02 p.m.
Thomas Michaud, Legal Counsel
Brian Green, Investment Consultant

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

5. Approval of Minutes

Motion by Trustee McCarthy to approve the minutes of the November 27, 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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7. Consent Agenda

Motion by Vice Chairman Jondro to approve the consent agenda as listed below. Supported by Trustee Turner.

1. Retirements
 - a. Michelle Ashcraft, General County December 22, 2017
 - b. Timothy Carr, Library December 5, 2017
 - c. Cynthia Green, Library December 16, 2017
 - d. Monica Marcinak, Mental Health December 1, 2017
 - e. Matthew Torongeau, Sheriff's Office December 11, 2017
 - f. Heath Velliquette, Sheriff's Office December 30, 2017
2. Financial Reports
 - a. Comerica Bank client statement for October 2017.
 - b. Comerica Bank consolidated statement for October 2017.
 - c. Lazard Portfolio review for October 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 Turner.

1. Invoice in the amount of \$35.00 from Comerica Commercial Card Service for monthly QuickBooks online fee.
2. Invoice dated October 23, 2017 in the amount of \$550.00 from Steven Dovitz, M.D. for an independent medical evaluation performed on Matthew Torongeau.
3. Invoice dated December 8, 2017 in the amount of \$665.00 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of November 1, 2017 – November 30, 2017.

Roll call for approval of the bills as follows:

AYES: Michael Grodi Jeff Koras Bob Neely
George Jondro Anne McCarthy Jason Turner

NAYS: None

ABSENT: Nancy Bellaire, excused
Henry Lievens, excused
James Morgan, arrived at 5:04 p.m.

All in favor. Motion carried.

9. Communications

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

1. **Application for Service Retirement**
Sharon Dwornik, General County

2. **Medical Reports**
Matthew Torongeau, Sheriff's Office
3. Communication from Renaissance regarding change in ownership.

10. Resolutions

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

1. **Disability Retirement**
Matthew Torongeau, Sheriff's Office
2. **Application for Service Retirement**
Sharon Dwornik, General County

11. Consultant's Report

1. Valuation Report for the period ended November 30, 2017

Mr. Green reviewed the valuation report for the month ending November 30, 2017. The fund is valued at \$205,609,573 up \$3,126,671 from the previous month. The current asset allocation includes 61% in equities, 32% in fixed income, 1% in cash, 3% in alternative investments, and 3% in real estate. The total fund was up 1.54% for the month and up 12.56% year to date.

Mr. Green recommended liquidating \$800,000 from the Seizert small/mid cap portfolio to transfer to the Cash account.

Motion by Trustee McCarthy to accept Mr. Green's recommendation, and liquidate \$800,000 from Seizert small/mid cap portfolio and transfer to the Cash account. Supported by Trustee Morgan. All in favor. Motion carried.

2. Asset Allocation Study

Mr. Green reviewed the proposed asset allocation study. The process of adding new asset classes was discussed.

3. Investment Policy Update

Mr. Green reviewed the proposed Investment Policy Statement.

Trustee Turner questioned how the asset allocation would be affected if tax reform is not passed.

Mr. Green stated that they have already factored that in.

Trustee Turner questioned if the asset allocation was a recommendation to make changes now.

Mr. Green stated the asset allocation is a recommendation for a policy change, not as an investment change.

Trustee Neely questioned if the asset allocation in the Investment Policy Statement tied into the changes on the asset allocation study.

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Mr. Green stated that is correct.

Motion by Vice Chairman Jondro to adopt the Investment Policy Statement. Supported by Trustee Neely. All in favor. Motion carried.

12. Old Business

1. April Kipf Audit

Chairman Grodi discussed the request for the Retirement Board to have an audit performed on April Kipf's account. He stated that due to his position in the union, he would be abstaining from the vote.

Trustee Neely questioned if approving the request would open concern for future audits.

Mr. Michaud stated that the Board would still have the ability to deny future requests.

Trustee Turner questioned if the Retirement Board could ask for the participant to be responsible for the cost if no errors were found during the audit.

Mr. Michaud stated that typically a participant would not be expected to pay.

Vice Chairman Jondro questioned what would happen if the request was denied.

Mr. Michaud stated the employee could potentially file a lawsuit.

Vice Chairman Jondro questioned Mr. Michaud's recommendation.

Mr. Michaud recommended the Board authorize Plante Moran to perform the audit.

Motion by Trustee Neely to authorize Plante Moran to perform the audit on April Kipf's account. Supported by Trustee Turner. Chairman Grodi abstained from the vote. Motion Carried.

13. New Business

1. Set Meeting Schedule and Calendar

Motion by Trustee Turner to approve the meeting schedule and administrative calendar for 2018. Supported by Trustee Jondro. All in favor. Motion carried.

2. Training Budget – According to Policy

Motion by Vice Chairman Jondro to approve the training budget according to policy. Supported by Trustee Morgan. All in favor. Motion carried.

3. Trustee Election Results

Motion by Trustee Turner to certify the election results and declare Annamarie Osment the winner. Supported by Vice Chairman Jondro. All in favor. Motion carried.

14. Attorney's Report

1. Michigan Legislative Update

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Mr. Michaud stated no drastic changes were made, only additional transparency, which the Board already has in place.

15. Trustee Comments

Trustee Morgan stated that he appreciated Trustee McCarthy's time on the Board. She always had the retirees' best interest in mind. She will be missed.

Trustee Turned echoed Trustee Morgan, stating it has been a pleasure working with Trustee McCarthy.

Trustee Neely stated he also appreciated Trustee McCarthy's dedication to the Board. He wished everyone a Merry Christmas.

Vice Chairman Jondro stated that it was a pleasure working with Trustee McCarthy over the years. She has always put the best interest of the Board and the retirees first.

Trustee Koras wished everyone a Merry Christmas.

Chairman Grodi stated he appreciated Trustee McCarthy's time on the Board. She will be missed. He stated if you see Mr. VanOverbeke at one of the conferences, take the time to shake his hand to thank him for his time and dedication working on the task force to protect the local government retirement and benefits act.

16. Administrative Calendar

Chairman Grodi stated the next meeting is January 22, 2018 at 5:00 P.M.

17. Adjourn

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

Meeting adjourned at 5:56 P.M.

Respectfully Submitted,

Michael Grodi, Chairman
Monroe County Employees Retirement System

George Jondro, Vice Chairman
Monroe County Employees Retirement System