

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, March 28, 2016

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 March 28, 2016 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	James Morgan
Joseph Hudson	Bob Neely
George Jondro	Al Potratz left @ 6:43 P.M.
Anne McCarthy	

Michael Grodi excused, and Jason Turner absent.

ALSO PRESENT:

Sandy Calkins, Retirement Specialist
Michael Cho, Investment Consultant
Donald Graham, Templeton
Tracy Savage, Mesirow
Chad Schroeder, Mesirow

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

3. Pledge of Allegiance

Vice Chairman Jondro led the Pledge of Allegiance.

4. Approval of Agenda

Motion by Trustee McCarthy to approve the agenda as submitted. Supported by Trustee Hudson.

All in favor. Motion carried.

5. Approval of Minutes

Motion by Trustee Potratz to approve the minutes of the February 22, 2016 regular meeting and waive the reading of the minutes. Supported by Trustee Bellaire.

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All in favor. Motion carried.

6. Citizens Time

No citizens in attendance.

7. Consent Agenda

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

1. Retirements
2. Financial Reports
 - a. Boyd Watterson client statement for the period ended January 31, 2016.
 - b. Boyd Watterson client statement for the period ended February 29, 2016.
 - c. Boyd Watterson Limited Duration Mid-Grade Fund for the period ended January 31, 2016.
 - d. Boyd Watterson Limited Duration Mid-Grade Fund for the period ended February 29, 2016.
 - e. Boyd Watterson GSA Fund for the period ended February 29, 2016.
 - f. Brandywine Global Investment Management Global Fixed Income February 2016.
 - g. Comerica Bank account statement for February 2016.
 - h. Morgan Stanley client statement for February 2016.
 - i. Intercontinental U.S Real Estate Investment Fund for the quarter ended December 31, 2015.
 - j. Corbin Pinehurst account statement for the period ended December 31, 2015.
 - k. Corbin Pinehurst account statement for the period ended January 31, 2016.
 - l. Mesirov Institutional account statement for the period ended January 31, 2016.
3. Communication
 - a. Robbins Geller Rudman & Dowd settlement report for January 29, 2016.
 - b. Robbins Geller Rudman & Dowd portfolio monitoring report for January 29, 2016.

All in favor. Motion carried.

8. Approval of Bills

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

1. Invoice in the amount of \$279.00 from Comerica Commercial Card Service for MAPERS on day seminar and Fred Pryor training.
2. Invoice in the amount of \$155,300.94 from Morgan Stanley for management fees for the period of October 1, 2015 – December 31, 2015.
3. Invoice dated March 22, 2016 in the amount of \$2,240.00 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of February 1, 2016 – February 29, 2016.
4. Reimbursement in the amount of \$44.28 to Sandy Calkins for mileage expenses incurred for Fred Pryor Seminar.
5. Reimbursement in the amount of \$64.26 to Sandy Calkins for mileage expenses incurred for MAPERS one day seminar.

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6. Reimbursement in the amount of \$73.44 to Michael Grodi for mileage expenses incurred for MAPERS one day seminar.
7. Reimbursement in the amount of \$61.02 to James Morgan for mileage expenses incurred for MAPERS one day seminar.

Roll call for approval of the bills as follows:

AYES: Nancy Bellaire James Morgan
 Joseph Hudson Bob Neely
 George Jondro Al Potratz
 Anne McCarthy

NAYS: None

ABSENT: Michael Grodi excused, and Jason Turner absent.

All in favor. Motion carried.

8A. Refunds

8B. Retirement Payments

Motion by Trustee Hudson to approve the following retirement payments. Supported by Trustee Morgan.

1. Shirley Colosimo, General County \$ 1,566.01
 *December \$16.66, January \$516.45, February \$516.45
2. Jane Terwilliger, Mental Health \$11,789.91
 *December \$2,652.75, January \$3,045.72, February \$3,045.72
3. Sharon Williams, General County \$ 1,066.80
 *Nov. \$58.80, Dec. \$252.00, Jan. \$252.00, Feb. \$252.00

All in favor. Motion carried.

9. Communications

Motion by Trustee Hudson to receive and file the following communications. Supported by Trustee McCarthy.

1. **Application for Service Retirement**
 Linda Stotz, General County
2. **Application for Deferred Service Status**
 Vickie Bagherzadeh, Mental Health
3. Heather Law, General County
4. **Certificate of Attendance**
 Sandy Calkins, MAPERS
5. Michael Grodi, MAPERS
6. George Jondro, MAPERS
7. James Morgan, MAPERS

All in favor. Motion carried.

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10. Resolutions

Motion by Trustee McCarthy to accept and place on file the following retirement resolutions. Supported by Trustee Neely.

Service Retirement

1. Shirley Colosimo, General County
2. Jane Terwilliger, Mental Health

Application for Service Retirement

3. Linda Stotz, General County

Deferred Retirement

4. Sharon Williams, General County

All in favor. Motion carried.

11. Presentations – Donald Graham, Templeton Portfolio

M. Graham discussed the firm overview, global presence, investment philosophy, and investment performance. The fund was down 2.34% year to date. The best performer was healthcare and the worst performer was energy.

Presentations – Tracy Savage and Chad Schroeder, Mesirow

Mr. Schroeder discussed the investment history, investment scorecard, key performance characteristics, and investment performance. The fund was down 3.40% year to date and up 1.63% since inception.

12. Consultant's Report

Next, Mr. Cho reviewed the valuation report for the month ending February 29, 2016. The fund is valued at \$176,089,476.94 down \$2,545,251.24 from the previous month. The current asset allocation includes 59% in equities, 25% in fixed income, 3% in cash, 6% in alternative investments, and 7% in real estate. The Total Fund was down .84% for the month and down 4.20% year to date.

Mr. Cho presented the Retirement Board with a draft performance comparison.

Trustee McCarthy would like a workshop in place of an Investment Policy Committee meeting to allow all Trustees to be involved. She would like to review the portfolio and verify it is the best it can be.

Trustee Neely would like to see collars placed on funds.

Trustee McCarthy withdrew her suggestion for a workshop because she would like to see the Investment Committee work with Mr. Cho to move quickly on changes if they are necessary.

13. Old Business

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

This issue is in the process of being reviewed.

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2. Fiduciary Liability Insurance

Motion by Trustee Hudson to approve the policy and bind the coverage. Supported by Trustee McCarthy.

All in favor. Motion carried.

3. Request for Proposal Investment Consultant

Trustee Neely provided a request for proposal sample.

14. New Business

1. NCPERS Delegates

Motion by Trustee Hudson to appoint Chairman Grodi and Vice Chairman Jondro as the NCPERS delegates. Supported by Trustee Morgan.

All in favor. Motion carried.

15. Attorney's Report

Mr. Michaud was excused.

16. Trustee Comments

Trustee Morgan attended the MAPERS one day seminar. He stated it was slow getting started with the fixed income presentation, but as the day progressed there was informative investing information for Trustees. He also welcomed Trustee Neely to the Retirement Board.

Trustee McCarthy and Trustee Hudson also welcomed Trustee Neely to the Retirement Board.

Trustee Neely stated he is looking forward to working with the Retirement Board and hopes to contribute as much as possible.

Vice Chairman Jondro welcomed Trustee Neely. He also attended the MAPERS one day seminar. He stated it was an informative session.

17. Administrative Calendar

Vice Chairman Jondro stated the next meeting is April 25, 2016 at 5:00 P.M.

18. Adjourn

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

All in favor. Motion carried.

Meeting adjourned at 7:28 P.M.

Respectfully Submitted,

George Jondro, Vice Chairman
Monroe County Employees Retirement System