

**Monroe County Employees Retirement
System Board of Trustees
MINUTES**

Regular meeting of the Monroe County Employees Retirement System Board of Trustees held on March 22, 2010 at 5:00 P.M. in the Board of Commissioner's Meeting Room at 125 East Second Street, Monroe, Michigan.

PRESENT: Nancy Colpaert, John Fowler, George Jondro, Anne McCarthy, James Morgan, William Myers, William Sisk and David Thompson.

ABSENT: James Davies

ALSO PRESENT: Sandy Calkins, Retirement Specialist, Royce Maniko, Secretary, Sam Galanis and Michael Cho, Consultants and Thomas Michaud, Legal Counsel

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

Motion by William Sisk, supported by Anne McCarthy to approve the minutes of the February 22, 2010 regular meeting. Motion carried.

Motion by Nancy Colpaert, supported by Anne McCarthy to approve the agenda as submitted. Motion carried.

Citizens Time – None

Presentations – Thomas Dibari – Pacific Income Advisers

Mr. Dibari's flight was cancelled and he was unable to attend the meeting. He will be rescheduled for a future date.

Tim Koos – Wells Fargo Insurance Services

Mr. Koos discussed the current liability policy. The current coverage includes \$5,000,000.00 limited liability, a \$25,000.00 deductible, and a \$20,000.00 premium. The term is from March 15, 2009 through March 15, 2010. The Monroe County Employees Retirement System is currently on a 30 day extension. Mr. Koos stated the policy covers the trust and the employee benefit plan. It also covers the trustees, directors, officers, administrators, and anyone else named in the plan. Mr. Koos informed the Board of Trustees that the policy is a claim's made policy and all claims must be made during the policy coverage period.

**Monroe County Employees
Retirement System Board of
Trustees - Minutes**

March 22, 2010 – Page 2

Trustee Jim Morgan inquired about exclusion 4 in the policy which referred to disability benefits. Mr. Koos stated it is covered under the policy and public act 55. It is not covered if the law has been violated. Mr. Michaud asked Mr. Koos to clarify the exclusion with an addendum. Mr. Koos will check with the underwriter.

Chairman Thompson would like the plan to state position titles not specific individual names. Mr. Thompson also asked if the County of Monroe, Road Commission, Library System, and Mental Health were covered under the policy. Mr. Koos advised the Board of Trustees that it is his understanding that all of them would be covered. Mr. Thompson inquired if the Retirement Specialist and Secretary were also covered. Mr. Koos stated that all administrators of the plan are covered under the policy.

Mr. Michaud asked Mr. Koos to explain recourse and non-recourse. Mr. Koos stated it is his understanding that the system that buys the policy cannot also pay \$25.00 per trustee to cover them. Mr. Koos said each trustee is responsible for paying the \$25.00 to be legally covered under the policy.

Mr. Koos advised the Board of Trustees that himself and Wells Fargo will be working together to provide the Monroe County Employees Retirement System with the lowest price possible.

Motion by George Jondro, supported by James Morgan to approve the consent agenda as listed below.

A. Retirements

Kandie Collier, Mental Health	February 22
Tobi Sisman, disability, Youth Center	February 22
Audrey Majauskus, Mental Health	February 25

B. Financial Reports – On File with Retirement Specialist

1. Comerica Bank Consolidated Statement, Cash Account Statement, Anchor Capital Advisors, Boyd Watterson Asset Management, Brandywine Asset Management Global, Eagle Global Advisors, NWQ Investment Management and International Value Equity, Pacific Income Advisors, Renaissance Investment Company and International Equity, Smith Group Asset Management, Templeton Portfolio Advisors for the period of 02/01/10 through 02/28/10 and Securities Lending Statement for January, 2010.
2. Boyd Watterson Asset Management Client Statement for the period ended January 31, 2010.

**Monroe County Employees
Retirement System Board of
Trustees - Minutes**

March 22, 2010 – Page 3

3. Boyd Watterson Asset Management Client Statement for the period ended February 28, 2010.
4. Brandywine Global Investment Management Global Fixed Income Portfolio for February 2010.
5. Diamond Hill Long-Short Fund Summary Prospectus for the period ended February 28, 2010.
6. Diamond Hill Funds Annual Report for the period ended December 31, 2009.
7. Morgan Stanley Smith Barney Client Statement for Anchor Capital Advisors, Eagle Global Advisors, NWQ LCV and International, Renaissance Investment Advisors and International, Smith Group Asset Management and Templeton Portfolio Advisors for the period ended February 28, 2010.
8. Pacific Income Advisers Portfolio Appraisal for the period ended January 31, 2010.
9. Pacific Income Advisers Portfolio Appraisal for the period ended February 28, 2010.
10. Smith Group Asset Management Monthly Portfolio Summary for the period ended February 28, 2010.

C. Communication

1. Brandywine Global Investment Management Monthly Commentary for February 2010.
2. Communication dated March 5, 2010 from Smith Group Asset Management.
3. Communication from Tradewinds Global Investors.
4. Traveler's insurance policy.

Motion Carried.

**Monroe County Employees
Retirement System Board of
Trustees - Minutes**

March 22, 2010 – Page 4

Invoices

Motion by William Sisk, supported by John Fowler to approve for payment the following invoices, subject to house audit:

1. Invoice #26530 dated March 12, 2010 in the amount of \$41,696.00 from Boyd Watterson Asset Management for investment services rendered for the period of December 1, 2009 – February 28, 2010.
2. Invoice dated February 26, 2010 in the amount of \$1,387.28 from Comerica Commercial Card Service for hotel deposits for the 2010 NCPERS Educational Seminar.
3. Invoice #1628 dated March 1, 2010 in the amount of \$44.59 from the County of Monroe for February 2010 postage.
4. Invoice dated January 15, 2010 in the amount of \$58,251.44 from Morgan Stanley Smith Barney for management fees for the period of October 1, 2009 – December 31, 2009.
5. Invoice #20100206000983 dated December 31, 2009 in the amount of \$15,097.02 from Tradewinds Global Investors for investment services rendered for the period of October 1, 2009 – December 31, 2009.
6. Reimbursement in the amount of \$45.00 to Anne McCarthy for travel expenses incurred for the MAPERS one day educational seminar.
7. Reimbursement in the amount of \$255.32 to James Davies for flight expenses incurred for 2010 NCPERS educational seminar.

Motion carried.

Refunds - None

Retirement Payments

Motion by Nancy Colpaert, supported by George Jondro to approve the following retirement payments:

1. Kandie Collier, Mental Health \$895.03
**February \$178.99

Motion carried.

**Monroe County Employees
Retirement System Board of
Trustees - Minutes**

March 22, 2010 – Page 5

Communications

1. Application for Service Retirement for Lee Markham, Planning.

Motion by Anne McCarthy, supported by George Jondro to accept and place on file. Motion carried.

2. Application for Service Retirement for Maryanne Ortman, Sheriff's Office.

Motion by Anne McCarthy, supported by George Jondro to accept and place on file. Motion carried.

3. Application for Service Retirement for Thomas Redmond, Sheriff's Office.

Motion by Anne McCarthy, supported by George Jondro to accept and place on file. Motion carried.

4. Application for Service Retirement for David Uhl, Sheriff's Office.

Motion by Anne McCarthy, supported by George Jondro to accept and place on file. Motion carried.

5. Communication dated March 12, 2010 from Maryanne Ortman regarding her intent to retire.

Motion by William Sisk, supported by William Myers to accept and place on file. Motion carried.

6. Communication dated March 9, 2010 from Deborah Turner, Monroe County Road Commission regarding their Early Retirement Window.

Motion by James Morgan, supported by Anne McCarthy to accept and place on file. Motion carried.

Proposed Resolutions

Motion by Nancy Colpaert, supported by William Myers to accept and place on file the following resolutions:

**Monroe County Employees
Retirement System Board of
Trustees - Minutes**

March 22, 2010 – Page 6

1. Kandie Collier, Mental Health – Service Retirement
2. Lee Markham, Planning – Application for Service Retirement
3. Maryanne Ortman, Sheriff's Office – Application for Service Retirement
4. Thomas Redmond, Sheriff's Office – Application for Service Retirement
5. David Uhl, Sheriff's Office – Application for Service Retirement

Motion carried.

Attorney Report

- Litigation Report for quarter ended December 31, 2009

Mr. Michaud's recommendation is to accept communication and place on file.

Motion by William Sisk, supported by John Fowler to accept communication and place on file. Motion carried.

Mr. Michaud also discussed legislation in Lansing. There are current proposals regarding the state taking over local pension plans.

Mr. Thompson informed the Board of Trustees that Mr. Michaud has been meeting with the County of Monroe regarding the Voluntary Early Retirement Program and Universal Time Purchase.

Consultant Report

Mr. Galanis reviewed the valuation report for month ending February 28, 2010. The fund is valued at \$165,050,831.56 up \$1,494,524.60 from the previous month.

Templeton was down 1.28%, Eagle Global was up .28%, Renaissance International was up 2.35%, and Smith Group was also up 4.71%. The current asset allocation includes 50.82% in fixed income, 43.52% in equity, and 5.66% in cash.

Old Business

- Legal contract – Chairman Thompson stated with the Voluntary Early Retirement Program and Universal Time Purchase he has not had time to work on the RFP. He will continue to work on it once the Early Retirement Window closes.

New Business – None

**Monroe County Employees
Retirement System Board of
Trustees - Minutes**

March 22, 2010 – Page 7

Trustee Comments

Trustee Anne McCarthy asked if part-time employees are allowed into the retirement system. If so, it is not stated in the ordinance.

Mr. Michaud advised the Board of Trustees that a policy was adopted regarding the 1,000 hour rule.

Trustee William Sisk thanked Mr. Michaud for his time and assistance regarding the Voluntary Early Retirement Program and Universal Time Purchase.

Secretary Royce Maniko addressed a visit he had from two former County Commissioners and Mr. Feick.

Mr. Thompson stated NCPERS and MAPERS information is now available on their websites.

Motion by James Morgan, supported by William Sisk to adjourn. Motion carried. Meeting adjourned at 6:15 P.M.

Respectfully Submitted,

David Thompson, Chairman
Monroe County Employees Retirement System
Board of Trustees