

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, April 24, 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 April 24, 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 | Jeff Koras | James Morgan |
| Michael Grodi | Henry Lievens | Bob Neely |
| George Jondro | Anne McCarthy | Jason Turner |

ALSO PRESENT:

Joey Becker, Retirement Specialist
Michael Cho, Investment Consultant
Thomas Michaud, Legal Counsel - arrived at 5:07 PM
Andrew King, Riverbridge
David Taylor, Citizen

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 agenda as submitted. Supported by Trustee Lievens. All in favor. Motion carried.

5. Approval of Minutes

Motion by Trustee Jondro to approve the minutes of the March 27, 2017 regular meeting and waive the reading of the minutes. Supported by Trustee McCarthy. All in favor. Motion carried.

6. Citizens Time

1. David Taylor from Lambertville, MI addressed the Board regarding his letter dated March 29, 2017 requesting reimbursement of deferred pension benefits from December 12, 2016 through March 7, 2017.

7. Consent Agenda

Motion by Trustee Lievens to approve the consent agenda as listed below. Supported by Trustee Turner.

1. Retirements
 - a. Linda Hammac, General County April 1
 - b. Roberta Jondro, Mental Health April 1
 - c. Jeffrey Smith, Sheriff's Office April 1

2. Financial Reports
 - a. Boyd Watterson statement of account for March 2017.
 - b. Boyd Watterson Limited Duration Mid-Grade Fund for the period ended March 2017.
 - c. Boyd Watterson GSA Fund for the period ended March 2017.
 - d. Brandywine Global Investment Management Global Fixed Income March 2017.
 - e. Comerica Bank account statement for March 2017.
 - f. Morgan Stanley client statement for March 2017.
 - g. Corbin Pinehurst account statement for February 2017.
 - h. Mesirov account statement for February 2017.

3. Communication
 - a. Robbins Geller Rudman & Dowd settlement report for March, 2017.
 - b. Robbins Geller Rudman & Dowd portfolio monitoring report for March, 2017.

All in favor. Motion carried.

8. Approval of Bills

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

1. Invoice in the amount of \$260.33 from Comerica Commercial Card Service for monthly QuickBooks online fee, MAPERS one day registration fee – Becker, envelopes and name plate – Becker, Dell toner (returned).

Roll call for approval of the bills as follows:

| | | | |
|-------|----------------|---------------|--------------|
| AYES: | Nancy Bellaire | Jeffrey Koras | James Morgan |
| | Michael Grodi | Henry Lievens | Bob Neely |
| | George Jondro | Anne McCarthy | Jason Turner |

NAYS: None

All in favor. Motion carried.

8A. Refunds

Motion by Trustee Jondro to approve the following refunds. Supported by Trustee Koras.

1. Daniel Donahue, Board of Commissioners \$ 1,752.24
2. Judith Longfield, General County \$ 4,078.76
3. Chad Randall, Road Commission \$ 40,882.43

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All in favor. Motion carried.

8B. Retirement Payments

Motion by Trustee Jondro to approve the following retirement payments. Supported by Trustee Koras.

- | | |
|--|-------------|
| 1. Judith Longfield, General County *April \$1,045.99, May \$675.56 | \$ 1,045.99 |
| 2. Cindy Rembowski, General County *April \$533.68, May \$413.60 | \$ 533.68 |

All in favor. Motion carried.

9. Communications

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

- Application for Service Retirement**
 - Jan Ford, Sheriff's Office
 - Janice Kirch, Library
- Application for Deferred Retirement**
 - Cindy Rembowski, General County
 - Communication dated March 29, 2017 from David Taylor, retiree requesting reimbursement of deferred pension benefits for December 12, 2016 to March 7, 2017.

All in favor. Motion carried.

10. Resolutions

Motion by Trustee Turner to accept and place on file the following retirement resolutions. Supported by Trustee Bellaire.

- Application Service Retirement**
 - Jan Ford, Sheriff's office
 - Janice Kirch, Library
- Service Retirement**
 - Judith Longfield, General County
- Application for Deferred Retirement**
 - Cindy Lou Rembowski, General County
- Deferred Service Retirement**
 - Cindy Lou Rembowski, General County

All in favor. Motion carried.

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11. Presentations – Andrew King, Riverbridge

Mr. King reviewed the performance summary. Year to date, the fund is up 8.40%, up 18.68% for 2016, and since inception up 5.77%. He discussed strategy, investment criteria, and their management team.

Mr. Cho questioned whether there have been any changes to the investment or management. Mr. King stated no changes have been made.

Trustee Neely questioned the percentage invested in Industrials. Mr. King stated the Industrials invested in are very different from the benchmark. The investment is in a business service industries, not your typical industries.

Trustee Grodi questioned the cash holdings. Mr. King stated 1.5% is normal, and cash holdings are somewhat high right now.

12. Consultant's Report

Mr. Cho reviewed the valuation report for the month ending March 31, 2017. The fund is valued at \$196,519,137.64 down \$239,141.75 from the previous month. The current asset allocation includes 59% in equities, 21% in fixed income, 5% in cash, 6% in alternative investments, and 9% in real estate. The Total Fund was up 0.48% for the month and up 4.34% year to date.

Mr. Cho recommended transferring \$3,000,000.00 from Boyd Watterson to Cash. Motion by Trustee Neely to approve the recommendation. Supported by Trustee Jondro. All in favor. Motion carried.

Trustee Neely questioned how long we should hold Wisdomtree. Mr. Cho stated Wisdomtree has a very strong growth potential and he believes it will outperform this year.

13. Old Business

1. County Travel Policy 307.1

Trustee Turner stated removing individual caps does not seem to be a problem. The issue is the 40 hour cap. Trustee Turner will reach out to Michael Bosanac for further discussion.

2. Request for Proposal Investment Consultant.

Trustee Jondro stated a spreadsheet was completed to weigh the RFP responses, pension funds were chosen from each company to review performance. The Investment Policy Committee is in the process of completing a questionnaire to send to current pension fund clients for evaluation of their investment consultant.

Trustee Grodi stated a special meeting will be held to interview the final three candidates for Investment Consultant.

14. New Business

1. Disability Re-examinations

Trustee Grodi stated to schedule disability re-examinations for May Board meeting.

2. MAPERS Delegates

Motion by Trustee Lievens to appoint Trustee Neely and Trustee Bellaire as the MAPERS delegates. Supported by Trustee Jondro. All in favor. Motion carried.

15. Attorney's Report

1. Scott Goins v. Fay Lynn Goins, DRO

Mr. Michaud stated his office has reviewed the DRO and it is consistent with the act and ordinance.

Motion by Trustee Lievens to accept communication and place on file. Supported by Trustee Bellaire.

All in favor. Motion carried.

2. Christine Raymo vs. Richard Raymo, Jr., EDRO

Mr. Michaud stated his office has reviewed the EDRO and it is consistent with the act and ordinance.

Motion by Trustee Lievens to accept communication and place on file. Supported by Trustee Jondro.

All in favor. Motion carried.

3. Correspondence from deferred retiree, David Taylor

Motion by Trustee Lievens to refer to legal counsel for written consent. Supported by Trustee Bellaire.

All in favor. Motion carried.

4. Correspondence – ACRES members on MCERS Board

According to Mr. Michaud there is no conflict of interest regarding a retiree member being on the pension board. Motion to accept Mr. Michaud's recommendation by Trustee Lievens. Supported by Trustee McCarthy. All in favor. Motion carried.

16. Trustee Comments

Trustee McCarthy stated she really will not be in attendance for the next two meetings.

Trustee Turner thanked his colleagues on the Investment Policy Committee.

Trustee Jondro stated everyone on the Investment Policy Committee has worked very diligently and he thanked the committee.

Trustee Grodi thanked everyone for their hard work.

17. Administrative Calendar

Chairman Grodi stated the next meeting is May 15, 2017 at 5:00 P.M.

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18. Adjourn

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

Meeting adjourned at 6:05 P.M.

Respectfully Submitted,

Michael Grodi, Chairman
Monroe County Employees Retirement System

George Jondro, Vice Chairman
Monroe County Employees Retirement System