

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 12, 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 December 12, 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 arrived at 5:42 P.M.
Michael Grodi
George Jondro
Anne McCarthy

James Morgan arrived at 5:13 P.M.
Bob Neely
Al Potratz
Jason Turner

Joseph Hudson excused.

ALSO PRESENT:

Sandy Calkins, Retirement Specialist
Michael Bosanac, Retirement Secretary
Thomas Michaud, Legal Counsel
Michael Cho, Investment Consultant
Jeffrey Koras, Mental Health

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 Jondro to approve the agenda as submitted. Supported by Trustee Potratz.

All in favor. Motion carried.

5. Approval of Minutes

Motion by Trustee McCarthy to approve the minutes of the November 28, 2016 regular meeting and waive the reading of the minutes. Supported by Trustee Jondro.

All in favor. Motion carried.

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6. Citizens Time

Jeff Koras, Mental Health employee introduced himself to the Retirement Board. He will be a Monroe County Employees Retirement System Trustee effective January 1, 2017.

7. Consent Agenda

Motion by Trustee Jondro to approve the consent agenda as listed below. Supported by Trustee McCarthy.

1. Retirements
 - a. Margaret Iott, Library December 31
2. Financial Reports
3. Communication
 - a. Robbins Geller Rudman & Dowd settlement report for November 25, 2016.
 - b. Robbins Geller Rudman & Dowd portfolio monitoring report for November 25, 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 Neely.

1. Invoice #5803 in the amount of \$340.75 from Monroe County Library System for postage.
2. Invoice dated November 28, 2016 in the amount of \$542.50 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of October 1, 2016 – October 31, 2016.
3. Invoice in the amount of \$460.07 from Comerica Commercial Card Service for monthly QuickBooks online fee, ballot box, and envelopes.

Roll call for approval of the bills as follows:

AYES: Michael Grodi	Bob Neely
George Jondro	Al Potratz
Anne McCarthy	Jason Turner

NAYS: None

ABSENT: Nancy Bellaire, Joseph Hudson, and James Morgan excused.

All in favor. Motion carried.

8A. Refunds

8B. Retirement Payments

9. Communications

Motion by Trustee Potratz to receive and file the following communications. Supported by Trustee Neely.

Application for Service Retirement

1. Laura Bowman, Library
2. Margaret Iott, Library
3. Albert Potratz, General County

Application for Purchase of Military Service Time

4. Brian Francisco, Sheriff's Office
5. Communication dated December 6, 2016 from Randy Pierce, Monroe County Road Commission Managing Director regarding issuance of 13th checks for 2016.

All in favor. Motion carried.

10. Resolutions

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

Application for Service Retirement

1. Laura Bowman, Library
2. Margaret Iott, Library
3. Albert Potratz, General County

All in favor. Motion carried.

11. Presentations

12. Consultant's Report

Mr. Cho reviewed the valuation report for the month ending November 30, 2016. The fund is valued at \$187,421,964.04 up \$633,777.56 from the previous month. The current asset allocation includes 64% in equities, 25% in fixed income, 2% in cash, 9% in alternative investments, and 0% in real estate. The Total Fund was up .90% for the month and up 6.12% year to date.

Mr. Cho recommends terminating Winslow and transferring half of the funds to Clearbridge, and the other half to the Russell 1000 Index Fund.

Mr. Cho recommends terminating Anchor and transferring the funds to a Mid Value manager.

Mr. Cho recommends terminating Federated and transferring two million to Seizert Smid and dividing the remaining balance equally between Delaware and Seizert Large Value.

Mr. Cho recommends terminating Mesirow and transferring the funds to Corbin.

Motion by Trustee McCarthy to accept Mr. Cho's recommendation, and terminate Mesirow and transfer the funds to Corbin. Supported by Trustee Jondro.

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Roll call for terminating Mesirow and transferring the funds to Corbin as follows:

AYES: Michael Grodi	Bob Neely
George Jondro	Al Potratz
Anne McCarthy	Jason Turner
James Morgan	

NAYS: None

ABSENT: Nancy Bellaire and Joseph Hudson excused.

All in favor. Motion carried.

Motion by Trustee Neely to accept Mr. Cho's recommendation, and terminate Winslow and transfer half of the funds to Clearbridge, and the other half to the Russell 1000 Index Fund. Supported by Trustee Turner.

Roll call for terminating Winslow and transferring half of the funds to Clearbridge, and the other half to the Russell 1000 Index Fund as follows:

AYES: Michael Grodi	Bob Neely
George Jondro	Al Potratz
Anne McCarthy	Jason Turner
James Morgan	

NAYS: None

ABSENT: Nancy Bellaire and Joseph Hudson excused.

All in favor. Motion carried.

Motion by Trustee Jondro to accept Mr. Cho's recommendation, and terminate Federated and transfer two million dollars to Seizert Smid and divide the remaining balance equally between Delaware and Seizert Large Value. Supported by Trustee Morgan.

Roll call for terminating Federated and transferring two million dollars to Seizert Smid and dividing the remaining balance equally between Delaware and Seizert Large Value as follows:

AYES: Michael Grodi	Bob Neely
George Jondro	Al Potratz
Anne McCarthy	Jason Turner
James Morgan	

NAYS: None

ABSENT: Nancy Bellaire and Joseph Hudson excused.

All in favor. Motion carried.

Motion by Trustee Morgan to schedule a special meeting to interview Clarkston Capital and Boston Partners for the Anchor allocation. Supported by Trustee Turner.

All in favor. Motion carried.

13. Old Business

1. County Travel Policy 307.1

This issue is in the process of being reviewed.

14. New Business

1. Set Meeting Schedule and Administrative Calendar for 2017

Motion by Trustee Jondro to approve the meeting schedule and administrative calendar for 2017. Supported by Trustee Turner. All in favor. Motion carried.

2. Adopt Training Budget – According to policy

Motion by Trustee Turner to adopt the training budget according to policy. Supported by Trustee Jondro. All in favor. Motion carried.

15. Attorney's Report

1. Local Unit of Government Retirement Act

Mr. Michaud stated the legislation limiting retiree healthcare and pension benefits has been temporarily postponed. He stated the legislation would likely be returning early next year.

16. Trustee Comments

Trustee Jondro, Trustee Neely, Trustee Turner, and Trustee Morgan wished the Retirement Board Trustees a Merry Christmas.

Trustee McCarthy wished the Retirement Board Trustees a Happy Holiday season. She also addressed medical retirements. She asked if there were time limits on them. Mr. Michaud stated no, some take longer than others do.

Trustee Potratz thanked the Retirement Board and directed them to keep up the good work. He stated the Retirement Board has been a great board to work with.

Chairman Grodi read a testimonial of appreciation for Trustee Hudson and Trustee Potratz.

Motion by Trustee McCarthy to accept and place on file the testimonial of appreciations for Trustee Hudson and Trustee Potratz. Supported by Trustee Jondro. All in favor. Motion carried.

17. Administrative Calendar

Chairman Grodi stated the next meeting is January 23, 2017 at 5:00 P.M.

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18. Adjourn

Motion by Trustee Turner to adjourn. Supported by Trustee Potratz.

All in favor. Motion carried.

Meeting adjourned at 5:57 P.M.

Respectfully Submitted,

Michael Grodi, Chairman
Monroe County Employees Retirement System