

# 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, May 7, 2018

#### 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 May 7, 2018 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 5:02 pm  
Michael Grodi  
George Jondro  
Jeff Koras

Henry Lievens, arrived at 5:07 pm  
Annamarie Osment  
James Morgan  
Jason Turner

##### ALSO PRESENT:

Joey Becker, Retirement Specialist  
Michael Bosanac, Retirement Secretary  
Brian Green, Investment Consultant  
Thomas Michaud, Legal Counsel

##### ABSENT:

Bob Neely, excused

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 Vice Chairman Jondro to approve the agenda as submitted. Supported by Trustee Turner. All in favor. Motion carried.

#### 5. Approval of Minutes

Motion by Trustee Morgan to approve the minutes of the April 23, 2018 regular meeting, and waive the reading of the minutes. Supported by Trustee Koras. All in favor. Motion carried.

#### 6. Citizens Time

No citizen wished to address the board.

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**7. Consent Agenda**

Motion by Trustee Osment to approve the consent agenda as listed below. Supported by Trustee Koras.

1. Retirements
  - a. Daniel Baker, General County May 3, 2018
  - b. Paul Brown, Road Commission May 17, 2018
  - c. Donna Richileau, Road Commission May 31, 2018
  - d. Doris Sheldon, Library May 5, 2018
2. Financial Reports
  - a. Comerica Bank cash account statements for March 2018.
  - b. Comerica Bank consolidated account statement for March 2018.
3. Communication from Boyd Watterson regarding 1st quarter distribution related to interest in the Fund.

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 Koras.

1. Invoice in the amount of \$335.00 from Comerica Commercial Card Service for monthly QuickBooks online fee, and registration for MAPERS Spring Conference – Osment.
2. Invoice #440458 in the amount of \$8,618.11 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
3. Invoice #440467 in the amount of \$1,821.83 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
4. Invoice #440464 in the amount of \$797.87 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
5. Invoice #440460 in the amount of \$1,129.76 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
6. Invoice #440466 in the amount of \$1,097.06 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
7. Invoice #440465 in the amount of \$969.75 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
8. Invoice #440459 in the amount of \$963.27 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
9. Invoice #440461 in the amount of \$891.05 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.

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10. Invoice #440463 in the amount of \$1,432.85 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
11. Invoice #440462 in the amount of \$1,086.82 from Comerica Bank for custodial services rendered for the period of January 1, 2018 – March 31, 2018.
12. Invoice #5871 in the amount of \$17,835.75 from Monroe County Library System for retirement services rendered for January 1, 2018 – March 31, 2018.

Roll call for approval of the bills as follows:

AYES: Michael Grodi                      Jeff Koras                      James Morgan  
George Jondro                      Annamarie Osment                      Jason Turner

NAYS: None

ABSENT: Nancy Bellaire, arrived at 5:02 pm      Bob Neely, excused  
Henry Lievens, arrived at 5:07 pm

All in favor. Motion carried.

**8A. Refunds**

Motion by Vice Chairman Jondro to approve the following retirement refunds and payments. Supported by Trustee Morgan. All in favor. Motion carried.

- |                                     |              |
|-------------------------------------|--------------|
| 1. Casey Baker, General County      | \$ 79.93     |
| 2. Richard Haller, Sheriff's Office | \$ 30,023.85 |
| 3. Craig Lajiness, Road Commission  | \$ 32,952.96 |
| LPL Financial FBO Craig Lajiness    | \$ 18,335.30 |

**8B. Retirement Payments**

- |                                     |             |
|-------------------------------------|-------------|
| 1. Richard Haller, Sheriff's Office | \$ 2,011.52 |
| April \$536.40, May \$2,011.52      |             |
| 2. Craig Lajiness, Road Commission  | \$ 1,732.78 |
| April \$2,079.34, May \$1,732.78    |             |

**9. Communications**

Motion by Trustee Osment to receive and file the following communications. Supported by Trustee Turner. All in favor. Motion carried.

- Application for Service Retirement**
1. Donna Richileau, Road Commission
  2. Doris Sheldon, Library
  3. Communication from Conduent regarding sale of human resource and actuarial business.

**10. Resolutions**

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

**Application Service Retirement**

1. Donna Richileau, Road Commission
2. Doris Sheldon, Library

**Disability Retirement**

3. Richard Haller, Sheriff's Office
4. Craig Lajiness, Road Commission

**11. Consultant's Report**

1. 2018 1<sup>st</sup> Quarter Performance Report

Mr. Green reviewed the first quarter performance report. He discussed the total fund performance. The fund is valued at \$210,502,789. The current asset allocation includes 65% in equity, 19.2% in fixed income, 5.9% in alternative investments, 9.1% in real estate and 0.8% in cash. The total fund was up 0.46% year to date. Mr. Green also discussed how the plan's asset allocation compared to our peers.

Trustee Turner questioned the amount allocated to fixed income.

Mr. Green stated equities were rebalanced back to the target allocation, and fixed income is somewhat over the target. However, if interest rates rise as they are expected to, having more invested in fixed income is a good thing. Also, he is hesitant to reduce the allocation in fixed income, because it will be used to pay benefits and it is still producing returns.

Trustee Turner stated that the board is aware at some point there will be a correction. Even though everything indicates clear skies, we don't want to base everything on the fact we are due for a correction.

Mr. Green stated we have become more aggressive with the value-added real estate.

**12. Old Business**

1. Investment Manager Presentations

Chairman Grodi stated the Administrative Committee was recommending one meeting be held in October for all managers to attend. The meeting would be separate from the Board's regular meetings, and would start at 1:00 p.m.

Mr. Green stated a structure for the managers would be established, and all the managers would follow the same format.

Motion by Trustee Turner to accept the recommendation of the Administrative Committee and hold the investment manager presentations on one day in October. Supported by Vice Chairman Jondro. All in favor. Motion carried.

2. Request for Information – Actuary

Chairman Grodi recommended the deadline for the Request for Information – Actuary be moved to July 1, 2018 as a courtesy to Conduent. This will allow Conduent sufficient time to respond to the request.

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Motion to accept Chairman Grodi's request to extend the deadline for the Request for Information – Actuary to July 1, 2018. Supported by Chairman Koras. All in favor. Motion carried.

3. June Retirement Board Meeting

The June Retirement Board meeting has been changed to June 18, 2018 at the same place and time.

**13. New Business**

1. Benefit Payment Policy

Mr. Michaud reviewed the benefit payment policy, noting that administrative costs were the primary reason for his recommendation to adopt the new policy.

Motion to accept the benefit payment policy and place on file by Vice Chairman Jondro. Supported by Trustee Morgan. All in favor. Motion carried.

2. Certification of Earnings for Disability Retirants

Motion by Trustee Bellaire to send out the request according to policy. Supported by Trustee Turner. All in favor. Motion carried.

3. Service Provider Disclosure Policy

Motion by Vice Chairman Jondro to send out the request according to policy. Supported by Trustee Osment. All in favor. Motion carried.

4. Service Retirement Resolution

Motion by Trustee Morgan to adopt the changes for the service retirement resolution. Supported by Trustee Osment. All in favor. Motion carried.

**14. Attorney's Report**

1. TerraCap Partners IV (Institutional) LP Compliance with Public Act 314 of 1965, as amended

Motion by Trustee Osment to receive and file the TerraCap Partners IV (Institutional) LP opinion. Supported by Trustee Turner. All in favor. Motion carried.

**15. Trustee Comments**

Trustee Turner thanked everyone for appointing him to be a delegate at MAPERS. He appreciates their belief in him.

**16. Administrative Calendar**

Chairman Grodi stated the next meeting is June 18, 2018 at 5:00 P.M.

**17. Adjourn**

Motion by Vice Chairman Jondro to adjourn. Supported by Trustee Turner. All in favor. Motion carried.

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Meeting adjourned at 5:59 P.M.

Respectfully Submitted,

Michael Grodi, Chairman  
Monroe County Employees Retirement System

George Jondro, Vice Chairman  
Monroe County Employees Retirement System