

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, October 22, 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 October 22, 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:

George Jondro	James Morgan
Jeff Koras	Bob Neely
Annamarie Osment	

ABSENT:

Michael Grodi, excused
Henry Lievens, absent
Jason Turner, absent

ALSO PRESENT:

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

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 Osment to approve the agenda as submitted. Supported by Trustee Neely. All in favor. Motion carried.

5. Approval of Minutes

Motion by Trustee Morgan to approve the minutes of the September 17, 2018 regular meeting, and waive the reading of the minutes. Supported by Trustee Osment. All in favor. Motion carried.

**Monroe County Employees
Retirement System Board of
Trustees – Minutes
October 22, 2018 – Page 2**

Motion by Trustee Neely to approve the minutes of the September 28, 2018 special meeting, and waive the reading of the minutes. Supported by Trustee Osment. All in favor. Motion carried.

Motion by Trustee Osment to approve the minutes of the October 9, 2018 special meeting, and waive the reading of the minutes. Supported by Trustee Koras. All in favor. Motion carried.

6. Citizens Time

Retiree Gerald Gallagher addressed the Board in regards to a letter he received from Varipro. He was concerned about the cost of his health insurance increasing. Mr. Gallagher stated he contacted Varipro and was told the letter was sent out in error. He later received a phone call from Varipro again confirming the letter was sent in error.

Vice Chairman Jondro stated he contacted Varipro as well and was also told the letter was sent in error.

Mr. Bosanac stated Varipro was quick to contact all retirees to inform them of the error and Varipro would be sending follow up correspondence to confirm the letter was sent in error.

7. Consent Agenda

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

1. Retirements
 - a. Vincent Badalamente, Sheriff's Office October 19
 - b. Linda Monroe, Mental Health October 13
2. Financial Reports
 - a. Comerica Bank cash account statement for August 2018.
 - b. Comerica Bank consolidated account statement for August 2018.
 - c. Comerica Bank account statements for September 2018.
3. Communication
 - a. Robbins Geller Rudman & Dowd international portfolio monitoring report for September 28, 2018.
 - b. Robbins Geller Rudman & Dowd portfolio monitoring report for September 28, 2018.
 - c. Robbins Geller Rudman & Dowd 3rd quarter repose report.
 - d. Robbins Geller Rudman & Dowd settlement report for settlement report September 28, 2018.

All in favor. Motion carried.

8. Approval of Bills

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

1. Invoice #26389 dated September 28, 2018 in the amount of \$26,250.00 from AndCo for consulting services and performance evaluation for period of July 2018 through September 2018.
2. Invoice #2393901 dated September 28, 2018 in the amount of \$26,000.00 from Buck Global, LLC for 2017 annual actuarial valuation and GASB 67/68.
3. Invoice #2395147 dated October 12, 2018 in the amount of \$658.75 from Buck Global, LLC for annuity withdrawal calculations.

**Monroe County Employees
Retirement System Board of
Trustees – Minutes
October 22, 2018 – Page 3**

4. Invoice in the amount of \$2,820.50 from Comerica Commercial Card Service for monthly QuickBooks online fee, envelopes, MAPERS Fall conference.
5. Invoice #5897 in the amount of \$17,835.75 from Monroe County Library System for retirement services rendered for July 1, 2018 – September 30, 2018.
6. Invoice dated October 3, 2018 in the amount of \$250.00 from NCPERS for membership renewal.
7. Invoice dated May 7, 2018 in the amount of \$7,910.00 from VanOverbeke, Michaud & Timmony for legal services rendered for the period of May 1, 2018 – September 30, 2018.
8. Reimbursement in the amount of \$327.17 to Joey Becker for expenses incurred for the MAPERS Fall conference.
9. Reimbursement in the amount of \$296.39 to Nancy Bellaire for expenses incurred for the MAPERS Fall conference.
10. Reimbursement in the amount of \$298.53 to Michael Grodi for expenses incurred for the MAPERS Fall conference.
11. Reimbursement in the amount of \$306.21 to James Morgan for expenses incurred for the MAPERS Fall conference.
12. Reimbursement in the amount of \$289.97 to Annamarie Osment for expenses incurred for the MAPERS Fall conference.

Roll call for approval of the bills as follows:

AYES: George Jondro Bob Neely
 Jeff Koras Annamarie Osment
 James Morgan

NAYS: None

ABSENT: Michael Grodi, excused
 Henry Lievens, absent
 Jason Turner, absent

All in favor. Motion carried.

8A. Refunds

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

1. Jeffrey Finley, General County	\$ 1,236.09
Huntington Bank FBO Jeffrey Finley	\$ 10,810.29
2. James Funchion, Road Commission	\$ 39,220.39
Vanguard FBO James Funchion	\$ 29,696.21
3. Jon Lasotta, Sheriff's Office	\$ 6,472.38
4. Raymond James FBO Sherrie Spreeman, Mental Health	\$ 1,019.02
Raymond James FBO Sherrie Spreeman	\$ 2,806.10

**Monroe County Employees
Retirement System Board of
Trustees – Minutes
October 22, 2018 – Page 4**

5. Elaine Sulfaro, General County \$ 14,527.02

8B. Retirement Payments

1. Jeffrey Finley, General County August \$111.25, September \$3337.27	\$ 3,337.27
2. James Funchion, Road Commission August \$1,760.40, September 2,728.54	\$ 2,728.54
3. Edwin Gillman, General County September \$708.64	\$ 1,328.71
4. Geralyn Harris, Mental Health September \$3,550.96	\$ 6,266.39
5. Lewis Lachowicz, Mental Health September \$1,463.87	\$ 2,583.18
6. Lynette Losek, Mental Health September \$898.28	\$ 1,584.97
7. Kim Malwitz, Mental Health September \$1,341.64	\$ 2,367.43
8. Sherrie Spreeman, Mental Health September \$1,655.63	\$ 2,921.64
9. Elaine Sulfaro, General County September \$1,972.68	\$ 3,481.15
10. David Walker, Mental Health September \$1,490.39	\$ 2,629.96
11. James Waltz, Mental Health September \$1,532.55	\$ 2,704.50
12. Shari Weber-Cross, Mental Health September \$1,765.11	\$ 3,114.77

9. Communications

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

Application for Service Retirement

1. Terrence Bronson, General County
2. Eddie Joe Lay, Road Commission
3. Linda Monroe, Mental Health

Application for Deferred Service Retirement

4. Mary Johnson, General County

Application for Deferred Service Status

5. Michael Grodi, Sheriff's Office

Certificate of Attendance

6. Joey Becker, MAPERS
7. Nancy Bellaire, MAPERS
8. Michael Grodi, MAPERS
9. Jim Morgan, MAPERS
10. Annamarie Osment, MAPERS
11. Jason Turner, MAPERS

**Monroe County Employees
Retirement System Board of
Trustees – Minutes
October 22 – Page 5**

Motion by Trustee Osment to receive, file, and forward the additional medical reports to the medical director for review. Supported by Trustee Neely. All in favor. Motion carried.

Medical Report

12. Stephanie Evans, General County

Motion by Trustee Morgan to receive, file, and approve the issuance of the 13th check for the County of Monroe. Supported by Trustee Osment. All in favor. Motion carried.

13. Communication dated September 12, 2018 from Michael Bosanac, Administrator/Chief Financial Officer for the County of Monroe regarding Board of Commissioners approval of Post-Retirement Supplemental Pension Benefit Payment of \$50,000 aggregate amount for 2018.

Motion by Trustee Morgan to receive, file, and direct retirement office to implement the amendments accordingly. Supported by Trustee Koras. All in favor. Motion carried.

14. Communication dated October 5, 2018 from Michael Bosanac, Administrator/Chief Financial Officer for the County of Monroe regarding Board of Commissioner approved amendments to Policy #422 Retirement.

Motion by Trustee Morgan to receive, file, and approve the issuance of the 13th check for Monroe County Library System. Supported by Trustee Osment. All in favor. Motion carried.

15. Communication dated October 17, 2018 from Nancy Bellaire, Monroe County Library System Director regarding issuance of 13th checks for 2018.

10. Resolutions

Motion by Trustee Neely to accept and place on file the following resolutions. Supported by Trustee Osment. All in favor. Motion carried.

Application Service Retirement

1. Terrence Bronson, General County
2. Eddie Joe Lay, Road Commission
3. Linda Monroe, Mental Health

Application for Deferred Service Retirement

4. Mary Johnson, General County

Service Retirement

5. Jeffrey Finley, General County
6. James Funchion, Road Commission
7. Edwin Gillman, General County
8. Geralyn Harris, Mental Health
9. Lewis Lachowicz, Mental Health
10. Lynette Losek, Mental Health
11. Kim Malwitz, Mental Health
12. Sherrie Spreeman, Mental Health
13. Elaine Sulfaro, General County
14. David Walker, Mental Health
15. James Waltz, Mental Health
16. Shari Weber-Cross, Mental Health

11. Consultant’s Report

1. Monthly Valuation for period ending September 30, 2018

Mr. Green reviewed the valuation report for the month ending September 30, 2018. The fund is valued at \$208,174,501 up \$905,537 from the previous month. The current asset allocation includes 63% in equities, 17% in fixed income, 1% in cash, 6% in alternative investments, and 13% in real estate. The Total Fund was up 0.23% for the month and up 2.50% for the quarter.

Trustee Morgan questioned if the flash report was our plan compared to all public plans.

Mr. Green stated the flash report needs to be updated for a better comparison to funds similar to Monroe County Employees Retirement System.

2. Manager Watch Language

Mr. Green reviewed the compliance checklist for the manager watch list.

Trustee Neely questioned how many of the criteria listed would it take to trigger a manager to be added to the watch list.

Mr. Green stated that the language will be added. If a manager meets three of the criteria listed, it would trigger a discussion with the Board in regards to adding the manager to the watch list.

Vice Chairman Jondro questioned how long it would be before a manager who is added to the watch list would come off.

Mr. Green used Lazard as an example, stating Lazard has triggered four of the criteria on the compliance checklist. However, no changes have been made from a qualitative standpoint. Action by the Board would be required to remove a manager from the watch list based on how many items the manager has triggered. No manager will automatically be removed from the watch list.

Trustee Neely questioned if any one item could trigger a manager to be added to the watch list, like the investigation by the Securities and Exchange Commission.

Mr. Green stated a singular event can trigger a manager to be added to the watch list, like a merger or an investigation.

3. Investment Policy Statement Draft

Mr. Green review the investment policy statement draft. He stated no action will be made until the November meeting.

12. New Business

1. Trustee Election

Vice Chairman Jondro stated petitions are now available. They must be returned by October 23, 2018.

13. Attorney’s Report

1. Accumulated Member Contribution Refunds

**Monroe County Employees
Retirement System Board of
Trustees – Minutes**
October 22, 2018 – Page 7

Mr. Michaud stated discussion regarding this will be postponed until the November meeting.

2. Steve Moreau – Income Withholding Order

Motion by Trustee Morgan to accept and implement the income withholding order for Steve Moreau. Supported by Trustee Osment. All in favor. Motion carried.

3. P.A. 202 of 2017 Update

Mr. Michaud stated this is a continuation of discussions had regarding P.A. 202 of 2017; still waiting on assumptions.

Mr. Michaud stated that he has received the contract for Nyhart; fees were reduced a bit and he would recommend accepting the contract.

Trustee Neely questioned who can sign the contracts and how many signatures are required.

Mr. Michaud stated typically 2 signatures are required; he will verify the information.

14. Trustee Comments

Trustee Morgan stated he enjoyed MAPERS, especially the political correspondent, Tim Skubick.

Trustee Osment stated MAPERS had a lot of good meetings; some were a little dry.

Vice Chairman Jondro stated he was glad everyone went to the conference. He informed everyone that Joe Hudson, a previous trustee, was in the hospital. The Board wishes him their best.

15. Administrative Calendar

Vice Chairman Jondro stated the next meeting is November 26, 2018 at 5:00 P.M.

16. Adjourn

Motion by Trustee Morgan to adjourn. Supported by Trustee Osment. All in favor. Motion carried.

Meeting adjourned at 6:12 P.M.

Respectfully Submitted,

George Jondro, Vice Chairman
Monroe County Employees Retirement System