

# 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, March 25, 2019

#### 1. Call to Order

A regular meeting of the Monroe County Employees Retirement System Board of Trustees was called to order at 1:00 PM on March 25, 2019 at the Mary K. Daume Library Service Center at 840 South Roessler Street, Monroe, Michigan 48161.

#### 2. Roll Call

Roll call as follows:

##### PRESENT:

Michael Grodi  
George Jondro  
James Morgan

Jeff Pauli  
Jason Turner

##### ABSENT:

Jeff Koras – excused  
Henry Lievens – excused

Annamarie Osment - excused  
Bob Neely - excused

##### ALSO PRESENT:

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

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

#### 5. Approval of Minutes

Motion by Vice Chairman Jondro to approve the minutes of the February 25, 2019 regular meeting and waive the reading of the minutes. Supported by Trustee Turner. All in favor. Motion carried.

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**6. Citizens Time**

No citizen were in attendance.

**7. Consent Agenda**

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

1. Retirements
  - a. Charles Myers March 9
2. Financial Reports
  - a. Comerica Bank account statements for February 2019.
  - b. Comerica Bank cash account statement for January 2019.
  - c. Comerica Bank cash account statement for February 2019.
  - d. Comerica Bank consolidated account statement for January 2019.
3. Communication
  - a. Robbins Geller Rudman & Dowd settlement report for February 22, 2019.
  - b. Robbins Geller Rudman & Dowd portfolio monitoring report for February 22, 2019.
  - c. Robbins Gellar Rudman & Dowd international portfolio monitoring report for February 22, 2019.

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 Pauli.

1. Invoice #446969 in the amount of \$1,678.91 from Comerica Bank for custodial services rendered for the period of October 1, 2018 – December 31, 2018.
2. Invoice in the amount of \$1,859.97 from Comerica Commercial Card Service for monthly QuickBooks online fee, certified mail-David Funk, MAPERS Spring Conference, MAPERS one day – Jondro, MAPERS one day – Morgan, certified mail – Moreau subpoena, MAPERS registration – Neely, MAPERS registration - Turner.
3. Invoice #444957 dated February 25, 2019 in the amount of \$5,000.00 from Gabriel, Roeder, Smith & Company for February monthly maintenance.
4. Mileage reimbursement to Michael Grodi in the amount of \$59.98 for MAPERS one day seminar.
5. Mileage reimbursement to James Morgan in the amount of \$46.52 for MAPERS one day seminar.

Roll call for approval of the bills as follows:

AYES: Michael Grodi                      Jeff Pauli  
George Jondro                              Jason Turner  
James Morgan

NAYS: None

ABSENT: Jeff Koras, Henry Lievens, Annamarie Osment, and Bob Neely excused

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All in favor. Motion carried.

**8A. Refunds**

Motion by Vice Chairman Jondro to approve the following refunds and retirement payments. Supported by Trustee Pauli.

1. Adam Hurley, Sheriff's Office	\$ 126.80
2. April Kipf, Sheriff's Office	\$ 14,696.60
Edward Jones FBO: April Kipf	\$ 14,224.79
3. Rhonda Nowitzke, Sheriff's Office	\$ 5,150.29
4. Dillon Schwartz, Sheriff's Office	\$ 707.99

**8B. Retirement Payments**

1. April Kipf, Sheriff's Office	\$ 2,066.80
February \$959.66, March \$2,066.80	

All in favor. Motion carried.

**9. Communications**

Motion by Trustee Morgan to receive and file the following communications. Supported by Vice Chairman Jondro.

**Application for Service Retirement**

1. Juanita Belair, Sheriff's Office
2. Robert Gelardi, Sheriff's Office
3. Dwight Lassey, General County
4. Kevin Raymo, Central Dispatch

**Application for Disability Retirement**

5. Jennifer Quick, Mental Health

**Certificate of Attendance**

6. Michael Grodi
7. George Jondro
8. Jim Morgan
9. Communication dated March 13, 2019 from Alidade Capital regarding distribution.
10. Communication dated February 28, 2019 from Intercontinental regarding distribution.

All in favor. Motion carried.

**10. Resolutions**

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

**Application for Service Retirement**

1. Juanita Belair, Sheriff's Office
2. Robert Gelardi, Sheriff's Office
3. Dwight Lassey, General County
4. Kevin Raymo, Central Dispatch

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5.           **Application for Disability Retirement**  
              Jennifer Quick, Mental Health

6.           **Service Retirement**  
              April Kipf, Sheriff's Office

All in favor. Motion carried.

**11.      Consultant's Report**

1.   Valuation for period ending February 28, 2019

For the month ending February 28, 2019, the fund is valued at \$205,164,963 up \$13,018,833 from the previous month. The current asset allocation includes 60.3% in equities, 17% in fixed income, 2.4% in cash, 5.9% in alternative investments, and 14.4% in real estate. The Total Fund was up 1.3% for the month and up 6.87% year to date.

Chairman Grodi questioned if there was a recommendation for rebalance.

Mr. Green stated he would recommend a split of the Seizert Small/Mid Cap account.

Motion by Vice Chairman Jondro to split the Seizert Small/Mid Cap account into two separate accounts. Support by Trustee Turner. All in favor. Motion carried.

Mr. Green recommended a rebalance of domestic equities, which would include an addition to Vanguard Extended Market Index fund, and the termination of Tortoise MLP with a rebalance to small and mid-cap stocks.

Motion by Vice Chairman Jondro to terminate Tortoise MLP and rebalance domestic equities per the investment consultant's recommendation. Support by Trustee Pauli. All in favor. Motion carried.

2.   Annual Expense Estimate

Mr. Green reviewed the annual expense estimate.

Trustee Turner thanked Mr. Green for his transparency.

Chairman Grodi agreed with Trustee Turner, stating the estimate was a nice breakdown of the fees.

Vice Chairman Jondro questioned if the estimate included the discount the system is receiving.

Mr. Green stated the discounts being offered are included in the estimate.

**12.      Old Business**

1.   Conflict of Interest Statement

Chairman Grodi stated the administrative policy committee has met to discuss the conflict of interest statement. There is a policy in place currently. The policy could be reviewed and acknowledged by the trustees on an annual basis. Another meeting will be scheduled for the administrative policy committee before making a recommendation to the board.

2.   Education Policy

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Chairman Grodi stated the administrative policy committee discussed the education policy at their meeting.

Trustee Pauli questioned if there should be a requirement for employees to continue employment for a certain period of time when being reimbursed for educational expenses.

Chairman Grodi stated the education policy will be discussed further at the next administrative policy committee meeting.

3. Disability Policy/Procedures

Motion to adopt the updated disability policy/procedures by Vice Chairman Jondro. Supported by Trustee Turner. All in favor. Motion carried.

4. Disaster Recovery Plan

Chairman Grodi stated he would like to invite Nancy Bellaire, Library Director, and Paul Robinson, Library Systems Administrator to attend the next administrative policy committee meeting to discuss the disaster recovery plan.

5. Schedule Investment Manager Presentations

Chairman Grodi stated the investment manager presentations will be added to the regular meeting in October.

**13. New Business**

1. Fiduciary Liability Insurance

Motion by Vice Chairman Jondro to approve the policy and bind the coverage. Supported by Trustee Turner. All in favor. Motion carried.

**14. Attorney's Report**

**15. Trustee Comments**

**16. Administrative Calendar**

Chairman Grodi stated the next meeting is April 22, 2019 at 1:00 P.M.

**17. Adjourn**

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

Meeting adjourned at 1:49 P.M.

Respectfully Submitted,

Michael Grodi, Chairman