

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, FEBRUARY 14, 2012 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

PAGE	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 6	A.	DECEMBER 13, 2011
7 - 11	B.	JANUARY 10, 2012
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
12 - 15	A.	PORTFOLIO VALUE - 1/1/12 - 2/7/12
	B.	BECKER BURKE - 4 TH QUARTER 2011
	1.	RICK POTTER TO PRESENT
	C.	MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
	1.	DENVER INVESTMENTS - (12/15//09) PORTFOLIO ENDING - NO REPORT
16 - 17	2.	MARVIN & PALMER - (6/1/10) PORTFOLIO ENDING ENDING 12/31/11
18	3.	WENTWORTH HAUSER & VIOLICH - (9/14/10) PORTFOLIO ENDING 1/31/12
19	A.	CORRESPONDENCE - NAME CHANGE
	D.	MONEY MANAGER REPORTS
20 - 53	1.	BAIRD - ENDING 12/31/11
	2.	BARINGS - ENDING 12/31/11
	3.	COLUMBIA - ENDING 12/31/11
	4.	CORNERSTONE - ENDING 12/31/11
	5.	EAGLE ASSET MGMT - ENDING 12/31/11
	6.	INTEGRITY ASSET - ENDING 12/31/11
	7.	LOOMIS SAYLES - ENDING 12/31/11
	8.	MACKAYSHIELDS - ENDING 12/31/11
	E.	NORTHERN TRUST
54 - 58	1.	SUMMARY EARNINGS 12/01/11 - 12/31/12
59	F.	REFUNDS/RETIREMENTS FOR JANUARY 2012

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, FEBRUARY 14, 2012 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

- G. NOTICE OF PUBLIC MEETING (receive)
 - 60 1. 2012 MEETING SCHEDULE - AMENDED
 - 61 2. FEBRUARY 2, 2012 SPECIAL MEETING
 - 62 3. FEBRUARY 14, 2012 SPECIAL MEETING

- H. CORRESPONDENCE FROM BOARD OF COMMISSIONERS
 - 63 1. APPOINTMENT OF KIM COONAN AND TOM RYDER

- I. CORRESPONDENCE FROM BAY MEDICAL CARE FACILITY
 - 64 1. APPOINTMENT OF TOM STARKWEATHER

- J. CORRESPONDENCE FROM HEALTH DEPARTMENT
 - 65 1. MEDICAL DISABILITY FOR GARY MACHERZAK

- K. PURCHASE OF OTHER GOVERNMENT TIME
 - 66 - 67 1. RICKY HANOVER

- VI. ANNOUNCEMENTS
 - A. NEXT REGULAR MEETING - TUESDAY, MARCH 13, 2012 @ 1:30 P.M. - **FINANCE DEPARTMENT LARGE CONFERENCE ROOM, 515 CENTER AVENUE - 7TH FLOOR, BAY CITY, MI 48708**

- VII. UNFINISHED BUSINESS
 - A. RESOLUTION 96331 AND ATTACHMENT A
 - 68 - 71 1. OTHER GOVERNMENT SERVICE CREDIT FOR RETIREMENT

- VIII. NEW BUSINESS

- IX. MISCELLANEOUS BUSINESS

- X. ADJOURNMENT

The meeting, held in the Bay County Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan, was called to order by Chairman, Steve Gray at 1:37 P.M. Roll call was taken. All trustees are present, except Shari Peltier.

1. Moved, supported and carried to excuse Trustee Peltier.
2. Moved, supported and carried to approve the minutes as presented from the regular meeting of November 8, 2011
3. Moved, supported and carried to approve the amended motion grid from October 11, 2011. (Typographical error regarding vote)

Minutes from the closed sessions of October 11, and November 8, 2011 were passed out to the Trustees by Corporation Counsel, Martha Fitzhugh for their review. A motion will be taken at the end of this meeting. Ms. Fitzhugh leaves the meeting and will return later if needed.

Mr. Gray called for public input, seeing as there is none, he moved on to petitions and communications:

4. Moved, supported and carried to receive the Portfolio Value report 1/1/10 through 12/7/11. Value today is \$226 million.

Present today from Integrity Asset Management are Adam Friedman, Senior Portfolio Manager & Principal and Andrea Leistra, Investment Manager. Integrity is a Mid Cap Value manager. They provided a copy their report to all Trustees.

Ms. Leistra reiterated that Munder Capital purchased Integrity Asset Management and that transaction closed at the end of last year. With that transaction, Matt Bevin has left the company, and Ms. Leistra will now be our client relationship manager. Ms. Leistra has been with Munders for almost 17 years and specializes in the Municipal Public Fund arena.

Munder's philosophy is to acquire money managers who are experts in their field and to give them the back office and support of a much larger firm.

They lost a couple of accounts in the merger which was about 40 million dollars. One of them did come back. There are no changes in the management team. The portfolio summary for Bay County indicates a total of \$17,551,823.74 market value as of November 30, 2011.

Mr. Friedman discussed their investment process, and universe definitions. They look for stocks from \$500 million to \$10 billion, with a trading volume of at least \$5 million per day. If there is an overlap in small cap it is in a more liquid name so they can easily get out of them. They like to add and trim stock. Mr. Friedman went to explain their investment strategies, stock selection process, and risk controls.

Regarding the volatility of the market, their performance has been pretty good. They are outperforming their peers, and they are in the top 35th percentile versus their peers.

Questions and discussion from Trustees regarding the global economy, unemployment, and government regulations.

They conclude their presentation and leave.

5. Moved, supported and carried to receive the Portfolio Value reports from the money managers on watch. Denver Investments ending 10/31/11, Marvin & Palmer, ending 10/31/11 and Wentworth Hauser & Violich, ending 11/30/11.
6. Moved, supported and carried to receive the remaining money manager reports: Baird ending 9/30/11, Cornerstone, Eagle Asset, Hotchkis & Wiley, and MacKay Shields all ending 10/31/11.
7. Moved, supported and carried to receive the Plan Summary from ConvergeEx Group ending 10/31/11.
8. Moved, supported and carried to receive the Northern Trust Summary Earnings report ending 10/31/11.
9. Moved, supported and carried to receive the Refunds and Retirements report for 11/30/11.
10. Moved, supported and carried to approve request from Mary Jo Braman for purchase of previous service credit.
11. Moved, supported and carried to establish interest factor for employee contributions at the recommended rate of 4%.

Discussion:

Trustee asked for an explanation of this 4% contribution. Ms. Wright, Retirement Administrator, explained that the 4% has been in place for many years. It is 4% on employee accumulated contributions. It is also an accounting entry. As an example, if someone were to leave after eight years of employment, they would get their 4% contribution that has been contributed by the County (or one of the outside entities), plus 4% interest on the contributions if they were entitled to a refund under the terms of their contract. If they are not terminated, but take a retirement, that money goes to fund their retirement. Most vested employees will defer their retirement

Trustee asking if 4% is a realistic interest rate, and is this a question for our Actuary. Another Trustee wanted more information about this process before making a decision. **Motion withdrawn.**

12. Moved, supported and carried to table Item I, interest factor for employee contributions, to next month's meeting.

13. Moved, supported and carried to approve renewal of contract with Becker Burke Associates for consulting services of Richard Potter in the amount of \$125,000 for the year 2012.

Discussion:

There was a question about the length of the contract and what would happen if we did not renew with Becker Burke. Questions regarding details of the contract, how much notice would be needed, etc. The Administrator advised that if we wanted to terminate the contract it would not take place immediately, because we would have to go out for bid and that could take up to six months to complete, which should allow enough time to notice the current consultant. Mr. Potter advised that if they were to seek a fee increase they would bring it to the Board months in advance to allow the Board time to review and make their decision.

It was recommended that since this is an annual contract, we should have this item on the agenda three months ahead of the expiration date. Another Trustee suggested that all contracts should be flagged and brought to the attention of the Board well in advance of their expiration date. Corporation Counsel handles all contracts, and it was suggested this should be referred to that office. Ms. Wright said she would flag this item for September of 2012.

No further discussion, and the motion carries.

14. Moved, supported and carried to approve the Notice of Public Meetings for 2012.
15. Moved, supported and carried to receive correspondence from Gabriel Roeder Smith & Company regarding change of personnel.
15. Moved, supported and carried to approve amendments to the BCERS Investment Policy.

Closed Session Minutes:

The Chairman inquired if anyone wanted to go into closed session, no one did, so Corporation Counsel was not recalled to the meeting. Chairman Gray suggested all Trustees take some time and read the minutes before voting to approve.

16. Moved, supported and carried to approve the minutes from October 11, 2011 closed session.
17. Moved, supported and carried to approve minutes from November 8, 2011 closed session.

NOTE: Copies of the closed session minutes were provided to the Trustees for review only. All copies were returned to Corporation Counsel. The Retirement Office will keep one sealed copy.

Announcements:

The next regular meeting is scheduled for Tuesday, January 10th, 2012 @ 1:30 P.M., Board of Commissioners Chambers, 4th Floor.

Unfinished Business:

A. Money Manager Presentation Schedule for 2012.

Chairman Gray talked about the issue of having enough time in meetings to thoroughly discuss agenda items. To allow more flexibility in the meeting schedule, he suggested taking a couple of days in 2012 and bringing in money managers, that are not on watch status, and have them make their presentations. We have seventeen managers. Four could come in one afternoon in the Spring, and four could come in the Fall. That would eliminate scheduling eight managers for a regular board meeting. The Board Investment Policy indicates we are to bring in each manager once a year.

Discussion:

In addition to seventeen presentations by money managers, Becker Burke presents a quarterly report, and we have the actuary, Gabriel Roeder Smith, present once a year also. Is it really necessary to have an annual presentation by every money manager, especially those managers that are performing well. If we are thinking about putting a manager on watch, then we could schedule them to come in, but not necessarily the others that are doing well. All Trustees agreed that we are trying to discuss too many topics in one meeting. A suggestion was made to set up a special sub-committee of the Board to listen to the presentations. Clarification was made that if we bring in money managers four at a time, it would be on a different day than the regularly scheduled board meeting. Some members liked this option. If we did not bring them in once a year, we would have to change our Investment Policy.

Mr. Potter stated that most clients with more than ten money managers set up special days that focus only on manager presentations. For Bay County, he suggested we would not need more than two days to bring them in for presentations.

18. Moved, supported and carried to schedule four money managers in the Spring of 2012 and four money managers in the Fall of 2012 before the full Board of Trustees.

Motion amended, supported and carried to schedule five money managers for each meeting, rather than four.

Proposed meeting dates will be provided at the next meeting.

B. Status of Marvin and Palmer.

Trustee inquired about the status regarding the termination of this manager. Mr. Potter advised that they had their due diligence meeting right away to develop some candidate names. The questionnaires went out to the candidates and are due in the office this week. It then takes about three to three and half weeks to analyze and put them together, so we are looking at

and half weeks to analyze and put them together, so we are looking at probably the third week in January 2012 for profiles. Becker Burke should have the profiles ready for the February board meeting. The next step would be deciding when to review the profiles. In the past, special meetings have been scheduled, but it could be accomplished at a regular Trustee meeting as well.

Trustee had a question about another Large Cap Manager that was performing poorly, and we were going to give them another three months to see how they continued to perform. Would it be appropriate to select two new managers, and terminate the underperforming manager as part of this meeting? Mr. Potter states that if we see two candidates that we feel are appropriate, there is no reason not to do that.

New Business: None

Miscellaneous Business:

A. Trustee commented that he feels the stock market will begin to go up and inquired about how this Board can be educated on how to hedge and protect ourselves when it starts to fall again. He suggested two ways: Have the Chairman communicate with MAPERS to be sure they have a special meeting to discuss this issue, or to have Becker Burke set up a presentation to give us some guidance. This is a request to the Chairman of the Board.

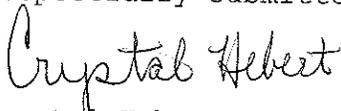
Mr. Gray states he will contact MAPERS to see what can be done for the Spring session. Mr. Gray states we have to schedule a special meeting to go over Mary Nye's profiles on the current search and it was discussed having Jeff do a presentation at that same special meeting regarding hedge funds, so that Trustees are better informed as to what they really are and are they appropriate for Bay County.

B. Trustee Deaton advised that this could possibly be his last meeting. Another employee has decided to run for the position of Trustee. The election is being held today.

Adjournment:

19. Moved, supported and carried to adjourn the meeting.
Meeting adjourned at 3:14 p.m.

Respectfully submitted,



Crystal Hebert
Finance Officer/Secretary

MEETING OF THE BCERS BOARD OF TRUSTEES COMMITTEE
December 13, 2011

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4TH FLOOR, BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIR STEVE GRAY AT 1:37 P.M.

OTHER PRESENT: RICK POTTER, JEFF BLACK, DANEA WRIGHT, ADAM FRIEDMAN, ANDREA LEISTRA, MARTY FITZHUGH (leaves at 1:45 p.m.)

TRUSTEE	1	2	3	4	5	6	7	8	9	10
BRZEZINSKI	Y	M	Y	Y	Y	Y	M	Y	M	Y
CARPENTER	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
COONAN	Y	Y	M	Y	Y	Y	Y	M	Y	Y
DEATON	Y	S	Y	Y	S	Y	Y	Y	S	M
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
PELTIER	E	E	E	E	E	E	E	E	E	E
PETT	S	Y	Y	S	Y	S	S	Y	Y	Y
RYDER	M	Y	Y	M	M	Y	Y	Y	Y	S
STARKWEATHER	Y	Y	Y	Y	Y	M	Y	Y	Y	Y

TRUSTEE	11	12	13	14	15	16	17	18	19	20
BRZEZINSKI	Y	Y	S	M	S	S	Y	Y	M	
CARPENTER	Y	Y	Y	Y	Y	Y	Y	Y	Y	
COONAN	Y	M	M	Y	Y	Y	Y	Y	Y	
DEATON	S	Y	Y	Y	Y	Y	S	Y	Y	
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	
PELTIER	E	E	E	E	E	E	E	E	E	
PETT	S	Y	Y	Y	Y	Y	Y	Y	Y	
RYDER	Y	S	Y	S	M	Y	Y	S	S	
STARKWEATHER	M	Y	Y	Y	Y	M	M	M	Y	

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

The meeting, held in the Bay County Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. As Secretary of the Retirement Board, Ms. Crystal Hebert is responsible for conducting the election of officers. Chairman Gray turned the meeting over to Ms. Hebert, Finance Officer/Secretary. The meeting was called to order by Ms. Hebert at 1:33 P.M. Roll call was taken. All trustees are present.

Ms. Hebert opens the floor to nominations for Chairman.

1. Moved and supported to nominate Steve Gray for the position of Chairman of the Bay County Employees' Retirement System.

Mr. Gray accepts.

2. Moved, supported and carried to close the nominations and cast a unanimous ballot for Steve Gray to be Chairman of the Board of Trustees for 2012.

Ms. Hebert turns the meeting back to Chairman Gray.

3. Moved and supported to nominate Bill Deaton for the position of Vice-Chairman.

Mr. Deaton declines and requests that someone else be nominated.

4. Moved and supported to nominate Richard Brzezinski for the position of Vice-Chairman.

Mr. Brzezinski accepts.

5. Moved, supported and carried to close the nominations and cast a unanimous ballot for Richard Brzezinski to be Vice-Chairman of the Board of Trustees for 2012.

The minutes from the December 13, 2011 meeting are not yet available.

6. Moved, supported and carried to table the December 2011 minutes to the February meeting.

Mr. Gray called for public input. Seeing no one from the public present, he moved onto petitions and communications.

7. Moved, supported and carried to receive Portfolio Value from January 1, 2012 to January 4, 2012. The value today is \$228 million.

Present today is Mr. Clay Lindsey, from Eagle Asset Management, based in St. Petersburg, Florida. They are a Small Cap Growth manager.

A copy of the fourth quarter report for 2011 was provided to all Trustees. Eagle Asset was hired by Bay County on September 3, 2010, so he gave a brief overview of the company. He discussed how they measure performance, hold individuals accountable, and make adjustments as needed. He discussed their

investment philosophy, their investment process, and their risk management/sell discipline. For the 4th Quarter, the portfolio was less than the benchmark. Annualized since inception, the portfolio was above the benchmark. For 2011, Consumer Discretionary and Technology were among their best performing sectors in the portfolio, with Industrials being the costliest sector for 2011. A contributor to relative performance was Energy. Detractors from relative performance were in the areas of Health Care and Information Technology.

He discussed the market outlook and how events in Europe and China impact the market, as well as our own monetary policy. They believe equity markets could have a strong year.

Trustees had a few questions for Mr. Lindsey regarding client losses/additions, turnover, and the top ten holdings. Mr. Lindsey concludes his presentation and leaves.

8. Moved, supported and carried to receive the report from Eagle Asset Management.
9. Moved, supported and carried to receive the portfolio reports from the three money managers on watch status.

Mr. Potter advised that the profiles on the candidates to replace Marvin and Palmer should be ready in a week and a half, or sooner. The next step would be to review the profiles and decide who to interview. Typically, a special meeting is scheduled for that process.

10. Moved, supported and carried to receive portfolio reports from Cornerstone, Eagle Asset, Loomis Sayles, and MacKay Shields, all ending 11/30/11.
11. Moved, supported and carried to receive Northern Trust's Summary Earnings 11/01/11 - 11/30/11.
12. Moved, supported and carried to receive Refunds/Retirements for the month of December 2011.
13. Moved, supported and carried to receive correspondence from Bay County Clerk regarding BCERS Trustee election results with vote totals and certification.

There is a conflict with the scheduled meeting date of September 11th as the MAPERS Conference is scheduled for the same date. Trustees agree to move the regular meeting date to September 18, 2012.

14. Moved, supported and carried to receive the 2012 Notice of Public Meeting of the Bay County Retirement Board of Trustees, with the change of the September meeting to the 18th.
15. Moved, supported and carried to receive correspondence from MacKay Shields regarding appointment of new CEO.

16. Moved, supported and carried to receive correspondence to MacKay Shields, Wentworth, Hauser & Violich, and Hotchkis & Wiley regarding re-balance of asset allocation.

Trustee expressed interest in having re-balancing issues brought before the full Board prior to any action being taken. Chairman clarifies that we can try to bring this issue to the Board a month ahead of time.

17. Moved, supported and carried to approve the request of Marie Hayes to purchase other governmental service.

Some questions and discussion regarding this process. Trustee requested that we talk to our Actuary regarding the calculation process. Ms. Wright explained that she is responsible for doing the calculation, not the Actuary. Actuary interest factors are based on the current actuary report. Not many employees make this type of request to purchase other governmental service, so the amount of money involved is small. Chairman requests Ms. Wright to provide an example of the mathematical processes used to prepare these requests at next month's meeting.

18. Moved, supported and carried to approve attendance to the MAPERS one day seminar scheduled for February 3, 2012 in Dearborn.
19. Moved, supported and carried to approve proposed fees from Gabriel Roeder Smith and Company for the actuarial valuation for 2011. Proposed fees are \$29,500 - \$32,000.
20. Moved, supported and carried to approve the 4% interest on the member accumulated contributions on deposit as of 12/31/11.

A letter from Gabriel Roeder Smith was handed out to the Trustees at the meeting proposing why the interest should remain at 4%, and explaining their position.

ANNOUNCEMENTS:

- A. Next regularly scheduled meeting will be Tuesday, February 14, 2012 at 1:30 P.M. in COMMISSIONER'S CHAMBERS, 515 CENTER AVENUE - 4TH FLOOR, BAY CITY, MI 48708.

UNFINISHED BUSINESS:

- A. Money managers speaker schedule for 2012. Proposed dates were provided to the Trustees for a Spring meeting and a Fall meeting. Trustees agree to meet on April 17, 2012. Recommendation made to meet with two managers in the morning, and two managers in the afternoon.
21. Moved, supported and carried to have a special meeting on Tuesday, April 17, 2012 starting at 9:00 a.m. to interview four money managers.

22. Moved, supported and carried to have a special meeting on Tuesday, September 25, 2012 starting at 9:00 a.m. to interview four money managers.

Chairman requests that the Board set a date to review candidates to replace Marvin and Palmer. Also, at this same meeting, the Board would like Jeff Black to make a presentation regarding hedge funds.

- B. Meeting to review profiles of Large Cap Growth Managers to replace Marvin and Palmer.

23. Moved, supported and carried to have a special meeting on Thursday, February 2, 2012 at 1:00 p.m. to review profiles of the candidates.

- C. Trustee had a question about the prior discussion that we had regarding a presentation from Attorney Michael Vanoverbeke regarding disability retirement ordinance language. What is the status? Chairman Gray responds that Corporation Counsel is working on that.

- D. Trustee wanted to know when they could expect to receive the minutes from the December meeting. Ms. Wright responds that they should be available for the February meeting.

NEW BUSINESS: None

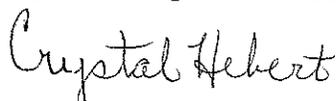
MISCELLANEOUS BUSINESS:

Mr. Deaton commented that he has viewed the new Retirement Board web site and was complimentary to Ms. Wright, Plan Administrator, for her efforts in getting this set up.

ADJOURNMENT:

24. Moved, supported and carried to adjourn the meeting at 2:34 p.m.

Respectfully submitted,



Crystal Hebert
Finance Officer/Secretary

MEETING OF THE **BCERS** BOARD OF TRUSTEES COMMITTEE

January 10 , 2012

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4TH FLOOR,
BAY CITY, MI 48708. MEETING CALLED TO ORDER BY: SECRETARY, CRYSTAL HEBERT, AT 1:34 P.M.

OTHER PRESENT: RICK POTTER, JEFF BLACK, DANEAN WRIGHT, CLAY LINDSEY

TRUSTEE	1	2	3	4	5	6	7	8	9	10
BRZEZINSKI	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
CARPENTER	S	Y	M	Y	Y	Y	Y	Y	Y	Y
COONAN	Y	M	Y	M	M	M	M	S	S	Y
DEATON	M	Y	S	Y	Y	Y	S	Y	Y	Y
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
PELTIER	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
PETT	Y	S	Y	Y	Y	Y	Y	Y	Y	S
RYDER	Y	Y	Y	S	S	S	Y	M	M	M
STARKWEATHER	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

TRUSTEE	11	12	13	14	15	16	17	18	19	20
BRZEZINSKI	Y	M	Y	S	S	M	Y	M	Y	Y
CARPENTER	Y	S	Y	Y	Y	Y	Y	Y	Y	Y
COONAN	M	Y	S	Y	Y	Y	Y	S	M	Y
DEATON	M	Y	Y	M	Y	Y	S	Y	Y	S
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
PELTIER	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
PETT	Y	S	Y	Y	M	S	Y	Y	Y	M
RYDER	Y	Y	M	Y	Y	Y	M	Y	S	Y
STARKWEATHER	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

TRUSTEE	21	22	23	24
BRZEZINSKI	M	S	S	M
CARPENTER	Y	M	Y	Y
COONAN	Y	Y	Y	Y
DEATON	Y	Y	M	Y
GRAY	Y	Y	Y	Y
PELTIER	S	Y	Y	Y
PETT	Y	Y	Y	S
RYDER	Y	Y	Y	Y
STARKWEATHER	Y	Y	Y	Y

//

Favorites

07 FEB 12

Account number 8765

FAMILY CODE FAM8765

◆ Mgr Mix w/ Accruals

Page 1 of 2

Account Name/ Account Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total market value/ % of consolidation
*BAYCO - COLUMBIA MANAGEMENT 2508694	0.00 0.00%	50,080.80 0.19%	26,169,969.60 99.81%	0.00 0.00%	0.00 0.00%	0.00 0.00%	26,220,050.40 10.85%
*BAYCO - BAIRD -SL 2618668	0.00 0.00%	1,206,584.64 5.50%	0.00 0.00%	20,746,447.96 94.50%	0.00 0.00%	0.00 0.00%	21,953,032.60 9.08%
*BAYCO - SCHROEDERS -SL 2618669	0.00 0.00%	217.18 0.00%	9,165,895.43 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	9,166,112.61 3.79%
*BAYCO - MARVIN & PALMER -SL 2620611	0.00 0.00%	486,639.80 1.93%	24,743,623.35 98.07%	0.00 0.00%	0.00 0.00%	790.72 0.00%	25,231,053.87 10.44%
*BAYCO - MACKAY SHIELDS -SL 2622490	0.00 0.00%	262,938.71 1.52%	2,482,068.13 13.36%	15,812,084.63 85.12%	0.00 0.00%	0.00 0.00%	18,577,091.47 7.69%
*BAYCO - HOTCHKIS & WILEY -SL 2622536	0.00 0.00%	97,487.18 0.97%	9,938,546.06 99.05%	0.00 0.00%	0.00 0.00%	-2,019.63 -0.02%	10,034,013.61 4.15%
*BAYCO - WENTWORTH -SL 2624493	0.00 0.00%	463,576.75 1.58%	28,911,454.60 98.42%	0.00 0.00%	0.00 0.00%	0.00 0.00%	29,375,031.35 12.15%
*BAYCO - CASH -SL 2638653	0.00 0.00%	1,535,304.53 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	1,535,304.53 0.64%
*BAYCO - DENVER INV ADV -SL 2639956	0.00 0.00%	1,321,743.42 6.54%	19,408,305.21 96.00%	0.00 0.00%	0.00 0.00%	-514,011.94 -2.54%	20,216,036.69 8.36%
*BAYCO - LOOMIS SAYLES -SL 2641401	0.00 0.00%	562,970.16 2.02%	0.00 0.00%	27,483,381.18 98.55%	0.00 0.00%	-157,717.05 -0.57%	27,888,634.28 11.54%
*BAYCO - INTEGRITY -SL 2653308	0.00 0.00%	750,901.19 3.90%	19,487,135.33 96.05%	0.00 0.00%	0.00 0.00%	10,628.05 0.06%	19,256,664.57 7.97%
*BAYCO - CORNERSTONE REALES-SL 2663296	0.00 0.00%	184,081.91 2.03%	8,886,235.76 98.03%	0.00 0.00%	0.00 0.00%	-5,629.76 -0.06%	9,064,687.91 3.75%
*BAYCO - EAGLE ASSET -SL 2695063	0.00 0.00%	157,345.92 1.64%	9,465,190.60 98.79%	0.00 0.00%	0.00 0.00%	-41,174.43 -0.43%	9,581,362.09 3.96%
BAYCO - BARINGS BYC03	162,133.75 1.19%	0.00 0.00%	13,394,271.72 98.42%	0.00 0.00%	31,918.63 0.23%	20,920.53 0.15%	13,609,244.63 5.63%

Favorites

07 FEB 12

Account number 8765

FAMILY CODE FAM8765

◆ Mgr Mix w/ Accruals

Page 2 of 2

Account Name/ Account Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total market value/ % of consolidation
Total for consolidation	162,133.75 0.07%	7,099,872.19 2.94%	171,062,695.79 70.77%	64,041,913.77 26.50%	31,918.63 0.01%	-688,213.52 -0.28%	241,710,320.61 100.00%
% for consolidation							

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PORTFOLIO VALUE
YEAR 2011-2012

	<u>BAIRD</u>	<u>BARINGS</u>	<u>CORNERSTONE</u>	<u>DENVER</u>	<u>EAGLE</u>	<u>HOTCHKIS & WILEY</u>	<u>LOOMIS SAYLES</u>	<u>MACKAY SHIELDS</u>	<u>MARVIN PALMER</u>	<u>INTEGRITY</u>	<u>SCHRODER</u>	<u>COLUMBIA</u>	<u>WENTWORTH</u>	<u>CASH</u>	<u>TOTAL</u>
2011															
JAN	20,282,960.21	13,469,271.01	7,855,659.51	19,762,481.35	9,645,338.48	12,667,242.55	25,230,006.97	20,108,917.03	24,994,751.61	18,109,791.23	9,829,904.74	24,607,913.78	28,277,844.81	2,673,640.73	237,615,624.01
FEB	20,333,087.68	13,922,984.92	8,264,845.93	20,614,690.78	10,044,714.40	13,401,835.32	25,465,286.67	20,665,524.39	25,880,455.91	18,791,456.29	10,024,546.75	26,272,034.16	29,133,677.99	1,842,702.27	244,557,842.36
MARCH	20,338,046.29	13,791,629.18	8,160,328.04	21,041,574.54	10,471,776.80	13,770,768.82	25,441,342.42	20,589,176.19	26,017,933.98	18,175,661.26	10,133,868.96	26,547,672.38	29,369,026.18	1,460,447.93	246,195,352.77
APRIL	20,531,160.45	14,759,861.53	8,672,226.56	21,861,559.61	10,821,584.23	13,742,747.04	25,889,405.68	20,889,745.65	26,527,300.60	19,653,573.42	10,662,992.63	26,977,768.13	29,783,582.01	750,286.51	251,542,804.05
MAY	20,801,325.34	14,371,003.44	8,761,889.42	21,622,019.01	10,909,579.86	12,989,460.66	26,326,540.44	20,709,828.84	25,685,035.85	19,556,119.61	10,540,028.79	26,121,450.00	29,107,106.99	2,172,230.00	249,693,618.25
JUNE	20,746,653.51	14,093,143.90	8,503,482.37	21,251,465.03	10,892,723.30	12,859,047.57	26,042,704.52	20,546,880.50	25,814,849.82	18,123,828.91	10,372,870.61	25,601,680.47	28,739,352.00	1,407,744.35	245,996,426.86
JULY	21,030,599.96	14,384,481.05	8,662,959.36	20,366,711.86	9,323,347.21	11,469,557.51	26,709,858.23	20,308,927.94	25,442,416.08	18,602,263.27	10,198,254.37	24,588,472.00	28,489,107.66	2,705,007.78	242,281,963.28
AUG	21,509,666.73	13,465,576.09	8,115,763.25	18,275,389.08	8,531,450.27	10,286,657.96	26,712,989.79	19,537,498.25	23,807,045.25	16,868,962.09	9,162,690.99	22,966,123.98	26,670,298.95	1,927,477.25	227,837,579.93
SEPT	21,741,103.61	11,982,478.89	7,201,533.12	16,125,643.44	7,584,663.03	8,793,553.07	26,566,206.54	18,911,469.23	21,278,377.67	15,247,790.74	8,309,250.23	21,275,774.49	23,492,818.77	1,092,326.87	209,602,989.70
OCT	21,643,579.55	13,139,773.53	8,245,368.04	18,797,578.54	8,681,458.89	9,163,191.41	27,104,990.39	18,827,420.73	24,257,439.07	17,410,938.54	8,798,562.88	24,178,426.92	27,126,697.42	2,444,668.93	229,820,144.84
NOV	21,753,740.49	12,627,824.56	7,950,084.76	18,642,916.80	8,559,755.97	9,035,696.56	26,612,318.31	18,730,254.14	23,786,091.54	17,539,617.31	8,473,339.92	24,255,078.32	26,944,261.78	1,694,119.06	226,575,099.52
DEC	21,916,052.96	12,342,393.91	8,337,705.77	18,311,975.78	8,452,714.39	8,826,395.44	27,225,128.57	17,647,770.24	23,376,006.41	17,682,043.61	8,206,892.15	24,563,301.47	26,155,516.87	2,998,353.89	226,045,251.46
2012															
JAN	22,037,372.94	13,205,317.06	8,880,607.54	19,505,222.66	9,091,184.15	9,616,762.28	27,887,347.36	18,323,036.47	24,478,549.21	18,661,170.80	8,855,756.68	25,494,523.89	28,270,329.85	2,418,984.84	236,726,165.73
FEB															0.00
MARCH															0.00
APRIL															0.00
MAY															0.00
JUNE															0.00
JULY															0.00
AUG															0.00
SEPT															0.00
OCT															0.00
NOV															0.00
DEC															0.00

2012

	BAIRD	BARINGS	CORNERSTONE	DENVER	EAGLE	HOTCHKIS & WILEY	LOOMIS SAYLES	MACKAY SHIELDS	MARVIN PALMER	INTEGRITY	SCHRODER	COLUMBIA	WENTWORTH	CASH	TOTAL
1ST QTR															0.00
2ND QTR															0.00
3RD QTR															0.00
4TH QTR															0.00
2012 YTD	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

BAIRD GOVERNMENTAL FIXED INCOME MANAGER
 BARING LARGE CAP GROWTH INTERNATIONAL EQUITY MANAGER
 COLUMBIA LARGE CAP DEEP VALUE MANAGER
 CORNERSTONE REAL ESTATE REAL ESTATE INVESTMENT TRUST MANAGER
 DENVER INVESTMENT MID-CAP GROWTH MANAGER
 EAGLE SMALL-CAP GROWTH MANAGER
 HOTCHKIS & WILEY SMALL CAP VALUE MANAGER
 INTEGRITY MID-CAP VALUE MANAGER
 LOOMIS SAYLES CORPORATE BOND MANAGER
 MACKAY SHIELDS CONVERTIBLE BOND MANAGER
 MARVIN PALMER LARGE CAP GROWTH EQUITY MANAGER
 SCHRODER INTERNATIONAL SMALL/MID CAP EQUITY MANAGER
 WENTWORTH LARGE CAP CORE MANAGER

INVESTMENT MANAGER FEE SCHEDULES

BAIRD .30% - FIRST \$25 MILLION
 .25% - NEXT \$25 MILLION
 .20% - NEXT 50 MILLION
 .15% - THEREAFTER

BARING .95% -ON ASSETS UNDER MANAGEMENT

COLUMBIA .40% - ABOVE \$100 MILLION
 .40% - NEXT \$60 MILLION

CORNERSTONE .60% - OF THE FAIR MARKET VALUE OF ASSETS

DENVER .65% - OF THE FAIR MARKET VALUE OF ASSETS

EAGLE .85% - ON ASSETS UNDER MANAGEMENT

HOTCHKIS & WILEY 1.00% -ON ASSETS UNDER MANAGEMENT

INTEGRITY .85% - FIRST \$15 MILLION
 .75% - NEXT \$25 MILLION

LOOMIS SAYLES .35% - FIRST \$20 MILLION
 .25% - NEXT \$80 MILLION
 .20% - OVER \$100 MILLION

MACKAY SHIELDS .50% - UP TO \$100 MILLION
 .40% - ABOVE \$100 MILLION

MARVIN PALMER .75% - ON ALL ASSETS UNDER MANAGEMENT

SCHRODER .75% - UP TO \$10 MILLION
 .50% - UP TO \$100 MILLION

WENTWORTH .80%-FIRST \$2 MILLION
 .60%-NEXT \$8 MILLION
 .50%-NEXT \$10 MILLION
 .40%-NEXT \$10 MILLION

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MARVIN & PALMER®
ASSOCIATES, INC.
 GLOBAL EQUITY MANAGEMENT

January 18, 2012

Danean Wright
 Retirement Accountant
 Bay County Employees' Retirement System
 Bay County Building
 515 Center Avenue, Suite 706
 Bay City, Michigan 48708-5128

Dear Danean:

Your portfolio declined 1.7% during December while the Russell 1000 Growth Index lost 0.3%.

2011 was a difficult year for most active money managers, including ourselves, in terms of keeping up with market indices. This was disappointing to us as we were hoping to add to the good performance of 2010. It should be noted that our three-year annualized relative return number should improve by over 400 basis points in the next six months. The first and second quarters of 2009 were periods of strong underperformance, as our quality and relative price strength focus performed poorly in the "dash to trash" rally.

The market was volatile again during December correcting sharply in the first three weeks of the month only to rally to close the year. High yielding defensive stocks in the telecom service, consumer staples, utilities and healthcare sectors led the market, while materials, energy, industrials and technology lagged.

Worries about European sovereign debt and the possible breakup of the euro continue to affect investor confidence. However, better economic data in the United States and the beginning of monetary loosening in China have combined to partially offset the European worries. Our portfolio's emphasis on high-quality growth stocks in healthcare, technology and industrials should serve us well in this environment.

Your portfolio and performance since inception are attached for your interest.

Sincerely,

Jay F. Middleton
 Portfolio Manager – Principal

JFM/jam

Attachment

PRINCIPALS

David F. Marvin
 Stanley Palmer
 Karen T. Buckley
 Jon A. Stiklorius
 Terry B. Mason
 Jay F. Middleton
 Todd D. Marvin
 David L. Schaen
 Christopher A. Luft
 James W. Ryerson
 Jonathan T. Friedman
 Stephen D. Marvin
 Douglas D. Sanna
 Jennifer A. Mattes
 Gilbert Hahn
 Thomas B. McAvoy
 Lisa H. Capretto
 Peter Crivelli
 Lorraine H. Berends
 Scott D. Palmer
 C. Porter Schutt
 S. Richard Siple
 Mary L. Moglioni
 Brian D. Marvin
 Ezekiel R. Maki
 Bobbie V. Davies
 Jane M. Motley
 Adam T. Taylor
 Shuoqi (Joyce) Li

ADVISORY BOARD

Irving S. Shapiro
In Memoriam 1986-2001

The Rt. Hon. Lord Moore, PC.
 Prof. Dr.-Ing. Klaus G. Lederer
 Dr. Pedro Aspe
 Alan D. Schwartz
 Madelyn Smith
 The Hon. Sam Nunn
 The Hon. James A. Kelly
 James J. McNulty

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PERFORMANCE SUMMARY

Bay County Employees' Retirement System

Portfolio Value on December 31, 2011: 23,378,007

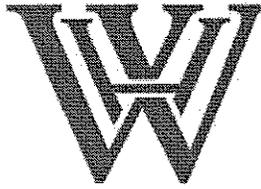
Benchmark Russell 1000 Growth Index with Gross Dividends
Reporting Currency US Dollars
Inception Date May 19, 2006

Period	RETURN %				Value Added
	M&P Gross	M&P Net	Benchmark	Value Added	
December 2011	-1.72	-1.90	-0.32	-1.39	
Quarter to Date	9.87	9.66	10.61	-0.74	
Year to Date	-3.85	-4.57	2.64	-6.49	
2010	20.23	19.32	16.71	3.52	
2009	18.10	17.23	37.21	-19.11	
2008	-45.96	-46.37	-38.44	-7.52	
2007	25.87	24.94	11.81	14.07	
Inception Year	4.61	4.13	10.02	-5.41	

Period	ANNUALIZED RETURN %			Value Added
	M&P Gross	M&P Net	Benchmark	
1 Year	-3.85	-4.57	2.64	-6.49
2 Years	7.52	6.71	9.45	-1.93
3 Years	10.94	10.11	18.01	-7.08
5 Years	-1.47	-2.21	2.50	-3.97
Since Inception	-0.51	-1.26	3.97	-4.48

Note 1: Performance is compared to the Russell 1000 Growth Index for reporting purposes. The actual benchmark is the Russell 1000 Growth Index plus 1%.

Note 2: The Russell 1000 Growth® Index is a trademark/service mark of the Russell Company. Russell® is a trademark of the Russell Company.



February 3, 2012

Ms. Danean Wright
Retirement Accountant
Bay County Employee's Retirement System
515 Center Avenue
Suite 706
Bay City, MI 48708-5128

RE: **Bay County Employees' Retirement System**

Dear Board of Trustees:

Please find the preliminary investment returns for the periods ending January 31, 2012 in the table below:

	Time Weighted Total Return Gross of Fees				
	January 2012	One Year	Three Year Annualized	Five Year Annualized	Since Inception* Annualized
Bay County Employees' Retirement System	8.09%	4.39%	20.00%	1.97%	4.73%
S&P 500	4.48%	4.22%	19.24%	0.33%	4.10%

*Since Inception Date 03/18/04

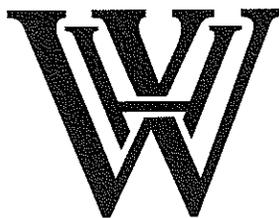
As always, we stand ready to answer any questions or comments you may have regarding the portfolios performance. Thank you for your continued confidence in Wentworth, Hauser & Violich and the Large Cap Core Investment Team.

Best regards,

Jeffrey C. Coburn, CFA

Cc: Richard Potter

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January 31, 2012

This year marks Wentworth, Hauser and Violich's 75th Anniversary. In celebration of this milestone, the firm is changing its name to WHV Investment Management and introducing a newly created logo. Our new name will honor the firm's past and more explicitly reflect the nature of the firm's business, while our logo will help to enhance our firm recognition and visibility within the industry.

WHV has managed client portfolios through multiple business cycles, including both bull and bear markets, over the past seven and a half decades. Throughout this year we will celebrate the firm's resiliency and commitment to our client relationships, some of which span three family generations. In the years to come, WHV will remain dedicated to providing personalized client service and offering high-quality investment strategies to individuals, public and corporate pension funds, foundations, endowments and other institutions.

Our name change does not alter the organizational structure of the firm. WHV Investment Management remains a wholly owned subsidiary of Laird Norton Investment Management, Inc. and has been part of the Laird Norton family of companies since 1994.

From all of us at WHV Investment Management, thank you for sharing in our celebration.

Regards,

Judith R. Stevens, CFA
President and Chief Executive Officer
WHV Investment Management

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Charles B. Groeschell
Managing Director
Senior Portfolio Manager
Baird Advisors

January 27, 2012

Mr. Danean Wright
Bay County Employees' Retirement System
515 Center Avenue, Suite 701
Bay City, MI 48708-5128

Dear Danean:

Enclosed please find a summary review as of December 31, 2011 for the Bay County Employees' Retirement System Portfolio managed by Baird Advisors.

Market Review

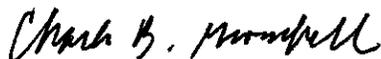
The bond market capped off a very good year with strong returns again in the 4th quarter. Treasury yields covered a wide range, but were modestly lower for the quarter and sharply lower for the year. Non-Treasury sectors outperformed in the 4th quarter amidst considerable volatility, but underperformed Treasuries for the year as yield spreads widened overall during 2011. Please find attached a copy of our December Bond Market Comments which provide a more detailed review of the market.

Performance Update

The Bay County Employees' Retirement System Portfolio also produced strong returns in the 4th quarter and outperformed its benchmark in what proved to be a very challenging year for the bond market. We are very pleased with the Portfolio's absolute and relative results for the year and remain confident in the individual issues held and overall Portfolio structure. With the yield advantage, we are also optimistic regarding the Portfolio's relative performance potential as we head into 2012.

Please let us know if you have any questions as you review this information. Again, we sincerely appreciate the opportunity to serve as your fixed income investment manager.

Sincerely,



Charles B. Groeschell

cc: Rick Potter - Becker, Burke Associates, Inc.

Bay County Employees' Retirement System

Fixed Income Portfolio

December 31, 2011

	Fixed Income Portfolio	Customized Benchmark
Average Quality	AAA	AAA
Average Coupon	4.15 %	3.68 %
Current Yield	3.67 %	3.40 %
Yield to Maturity	1.93 %	1.85 %
Duration	4.22 years	4.22 years
Average Maturity	5.64 years	5.96 years
 Quality Profile		
US Treasury	38.9 %	43.2 %
Agency	54.9 %	55.0 %
Aaa	6.2 %	0.0 %
Aa	0.0 %	1.8 %
A	0.0 %	0.0 %
Baa	0.0 %	0.0 %
	100.0 %	100.0 %
 Sector Profile		
US Treasury	38.9 %	43.2 %
Agency	2.0 %	6.8 %
Other Govt	0.0 %	0.0 %
Asset-Backed	0.0 %	0.0 %
Mortgages/CMOs	54.7 %	50.0 %
Industrial	0.0 %	0.0 %
Utility	0.0 %	0.0 %
Financial Institutions	0.0 %	0.0 %
Cash	4.4 %	0.0 %
	100.0 %	100.0 %
 Number of Issues	 70	 1,924
 Market Value	 \$21,916,720	

Customized Benchmark is comprised of 50% Barclays Capital Government & 50% Barclays Capital MBS

Bay County Employees' Retirement System
Fixed Income Portfolio
Gross Investment Performance

03/31/06 through 12/31/11

Year		Fixed Income Portfolio	Customized Benchmark
2006	Year-to-Date	5.04%	4.85%
2007		7.20%	7.78%
2008		9.13%	10.36%
2009		3.72%	1.79%
2010		5.63%	5.46%
2011		7.91%	7.62%
Total Return 03/31/06-12/31/11		45.27%	44.06%
Annualized Return		6.71%	6.55%

The performance is presented on a cumulative basis and does not reflect the deduction of investment advisory fees. Return would be reduced by advisory fee and other fees such as custodial expenses. The maximum fee found in Baird Advisors form ADV is 30 basis points. All returns are calculated on a time weighted, total return basis. The results shown should not be considered representative of future investment returns. The 50% Barclays Capital Government & 50% Barclays Capital MBS Index is an unmanaged portfolio of specific securities. The portfolio does not invest in all the securities traded in the index. Direct investment in the index is not available. Client should review all account statements provided by its custodian and compare those account statements to any account statement provided by Baird Advisors. Baird Advisors relies on securities valuations provided by client's custodian for purposes of performance reports.

Client should review all account statements provided by its custodian and compare those account statements to any account statement provided by Baird Advisors. Baird Advisors relies on security valuations provided by client's custodian for purposes of performance reports.

The Baird Advisors Brochure, which serves as a substitute for Form ADV Part II, is available upon request.

Bay County Employees' Retirement System
Fixed Income Portfolio
Net Investment Performance

03/31/06 through 12/31/11

Year		Fixed Income Portfolio	Customized Benchmark
2006	Year-to-Date	4.80%	4.85%
2007		6.89%	7.78%
2008		8.81%	10.36%
2009		3.41%	1.79%
2010		5.31%	5.46%
2011		7.59%	7.62%
Total Return 03/31/06-12/31/11		42.81%	44.06%
Annualized Return		6.39%	6.55%

The performance is presented on a cumulative basis. All returns are calculated on a time weighted, total return basis. The results shown should not be considered representative of future investment returns. The 50% Barclays Capital Government & 50% Barclays

Capital MBS Index is an unmanaged portfolio of specific securities. The portfolio does not invest in all the securities traded in the index. Direct investment in the index is not available. Client should review all account statements provided by its custodian and compare those account statements to any account statement provided by Baird Advisors. Baird Advisors relies on securities valuations provided by client's custodian for purposes of performance reports.

Client should review all account statements provided by its custodian and compare those account statements to any account statement provided by Baird Advisors. Baird Advisors relies on security valuations provided by client's custodian for purposes of performance reports.

The Baird Advisors Brochure, which serves as a substitute for Form ADV Part II, is available upon request.



Bay County Employee Retirement System

Quarterly Investment Review

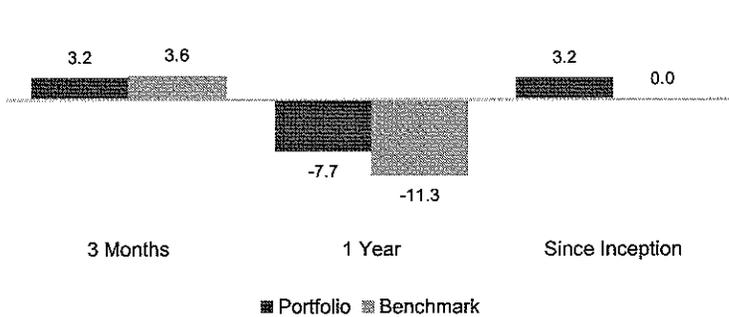
Q4 2011

Contents

Summary	1
Performance	2
Investment Strategy	3
Investment Outlook	4
Account Management Information	5

Summary

Performance Versus Benchmark In USD Terms - Periods To 31 December 2011



Portfolio Value (USD)

30 September 2011	11,912,604
31 December 2011	12,296,605

Inception: 30 October 2009

Source: Barings, gross of fees

Periods over 1 year are annualized

Benchmark: MSCI EAFE (net) + 1% p.a.

International equity markets had a positive quarter with the MSCI EAFE index rising by 3.3% helping to recover some of the losses that were seen in the third quarter.

The UK was the best performing region in the quarter rising by 9.1%. This was followed by the Pacific ex Japan region which rose by 6.0%. Japan was the worst performing region falling by 3.9%. Emerging Markets rose by 4.4% in the quarter slightly outperforming international markets.

Energy was the best performing sector in the quarter rising by 14.8%. This was followed by Consumer Staples and Health Care which rose by 5.9% and 5.7% respectively. Utilities was the worst performing sector falling by 4.7%.

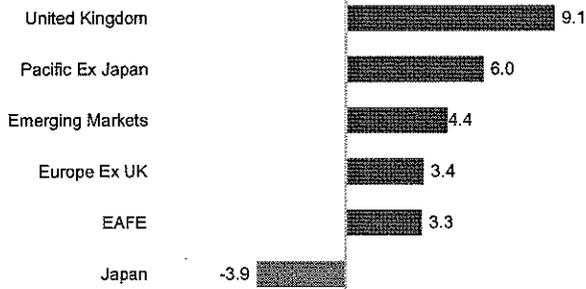
Our performance was behind the benchmark in the quarter. This was due to stock selection.

Our stock selection in the Materials sector detracted from performance due to weakness in our agricultural commodity stocks and precious metals miners. Stock selection in Industrials and in Health Care helped to offset this adding 0.6% and 0.4% respectively.

Asset allocation by region and by sector were both positive in the quarter.

Market Review - In USD Terms - Q4 2011

MSCI EAFE Region (Net)



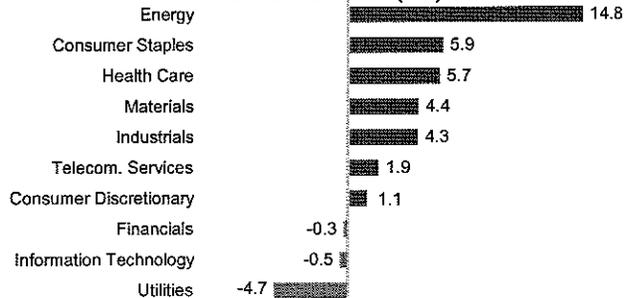
Source: MSCI, Barings

International equity markets had a positive quarter rising by 3.3%.

By region, the UK was the best performer rising by 9.1%. This was followed by Pacific ex Japan which rose by 6.0%.

Japan was the poorest performer falling by 3.9% in the quarter. Emerging Markets rose by 4.4% in the quarter, outperforming the MSCI EAFE index.

MSCI EAFE Sector (Net)



Source: MSCI, Barings

Energy was the best performing sector in the quarter rising by 14.8%. This was followed by Consumer Staples and Health Care which rose by 5.9% and 5.7% respectively.

Utilities was the worst performing sector falling by 4.7%.

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Performance - Q4 2011

Total Relative Contributions (%)

Key Contributions - Geographic

	Allocation	Selection	Total
Continental Europe	0.0	0.8	0.8
North America	0.1	0.0	0.1
Japan	0.2	-0.1	0.1
Emerging	0.1	0.0	0.1
Pacific Ex Japan	-0.1	0.0	0.0
Cash	-0.2	0.0	-0.2
Middle East	0.1	-0.2	-0.1
United Kingdom	0.2	-0.9	-0.7
Total	0.4	-0.5	-0.1

Key Contributions - Economic Sector

	Allocation	Selection	Total
Health Care	0.1	0.4	0.5
Industrials	-0.1	0.6	0.5
Financials	0.1	0.3	0.3
Energy	0.4	-0.2	0.3
Telecom Services	0.0	0.2	0.2
Utilities	0.3	-0.2	0.1
Consumer Staples	-0.1	0.0	-0.1
Consumer Discretionary	0.0	-0.2	-0.1
Cash	-0.2	0.0	-0.2
Information Technology	-0.2	-0.3	-0.5
Materials	0.1	-1.2	-1.2
Total	0.5	-0.6	-0.1

OW: Overweight UW: Underweight

Region & Sector definitions are based on MSCI classifications. Economic exposure may differ.

Performance Summary

The Fund was behind the benchmark in the quarter.

By region, our asset allocation was positive adding 0.4% to performance. Our underweight position to Japan and our overweight position to the UK each added 0.2% to performance. Our allocation to Emerging Markets marginally added to performance in the quarter.

Stock selection by region was negative in the quarter detracting 0.5% from relative performance. This was mostly due to weak stock selection in the UK that detracted 0.9% from performance. The main factor here was the poor share price performance of our holding in auto insurer Admiral Group following a weak earnings report by the company. This was offset somewhat by good stock selection in Europe ex UK. German pharmaceutical company Bayer and asset manager Julius Baer were among our best European stocks.

By sector, our asset allocation was positive. Our overweight to Energy and our underweight to Utilities added 0.4% and 0.3% respectively to performance. Our overweight to Technology offset this somewhat.

Stock selection by sector was negative subtracting 0.6% from performance. Our stock selection in Materials was the main reason for this, subtracting 1.2% from relative performance. Our precious metals miners and agricultural commodity stocks were mostly weak in the quarter on the back of weaker commodity prices.

Offsetting this somewhat, we had good stock selection in Industrials where Rolls Royce and Keppel Corp performed well, and in Health Care where Bayer, Sanofi, Shire and Teva all performed well.

Major Stock Contributions To Relative Return (%)

Positive	Contribution	Country	Sector
Rolls Royce Group#	0.3	United Kingdom	Industrials
Keppel Corporation	0.3	Singapore	Industrials
Bayer	0.2	Germany	Health Care
Julius Baer Gruppe	0.2	Switzerland	Financials
Paladin Energy#	0.2	Australia	Energy
Negative	Contribution	Country	Sector
Admiral Group	-0.6	United Kingdom	Financials
Royal Dutch Shell#	-0.4	United Kingdom	Energy
Tokio Marine Holdings	-0.3	Japan	Financials
Keyence	-0.3	Japan	Information Technology
ICL-Israeli Chemicals	-0.3	Israel (Developed)	Materials

Source: Barings

Aggregated Holding

Investment Outlook

International equities rose over 3% in the fourth quarter helping to recover some of the losses that occurred in the poor third quarter. A global economic recovery is continuing, but at a weak pace and with the main risks that we have highlighted before still present; these being the risk of a European banking/sovereign default, a China slowdown, or a relapse into recession.

Of these risks, Europe continues to dominate the headlines with its problems continuing to escalate and broaden. We began 2011 worried mostly about Greece and Ireland. Today the worry list still includes Greece and Ireland, but is now joined by Italy, Spain, Portugal and Belgium. France is not immune to this crisis as its banking sector has much exposure to Europe's problem areas and its AAA credit rating is in jeopardy as a result.

The potential impact of the European sovereign debt crisis on the global economy is not trivial. History's largest sovereign default, in nominal terms, was Argentina's default on USD 82bn of bonds in 2001. By comparison, outstanding Greek sovereign bonds total USD 502bn and for Italy it is USD 2.7trn.

Looking at the economic issues for peripheral Europe, Greek unemployment is now at 17%, Spain is at 21%, Ireland is at 14% and Portugal is at 12%. Youth unemployment is approaching 40% for some of the region, and all of these economies are seeing weak growth and will likely be in recession in 2012. So the prospect of employment improving in the near term is unlikely.

In general, European policies over the past year have been designed, not to bring a resolution to the issues, but to buy time in the hopes that a less painful solution to the crisis might appear – popularly referred to as “kicking the can”. To us, this cannot continue because peripheral European governments are now struggling to borrow on acceptable terms, because European banks are now struggling to fund themselves and because unemployment is now leading to rising social unrest. To us, it looks like Europe will have to make some hard choices in 2012.

However, it is important not to be too negative about European equities, because we believe one of the choices that will be made in 2012 will be the European Central Bank (ECB) deciding to increase the amount of debt monetization it undertakes – effectively a victory of French interests over German interests at the ECB. This move would be quite supportive for European equities and has actually already begun.

In December, the ECB launched a massive liquidity facility in its Long-Term Refinancing Operation (LTRO). The facility provides unlimited repurchase based lending for up to 3 years on qualifying collateral. It is mainly aimed at supporting the European banking sector, however we expect the resulting expansion of the ECB balance sheet to be broadly positive for equities.

China's economy continues to slow but its economic problems are not yet as critical as Europe's. China also has more policy options; for 2012 the Chinese government has announced that it will introduce measures to stimulate domestic spending. In our view this will not include the housing sector where the authorities have indicated that they want to see prices come down to improve affordability. The resulting stimulus is unlikely to have the multiplier effect that the massive lending boom of 2008-2010 had, but it should still be a positive for the Chinese economy. Against this we expect the Chinese housing sector and related industries to continue to struggle.

For the global economy, the US has been the relative bright spot. A below trend gradual economic recovery continues. With what is happening in Europe and China this has to be seen as a fragile recovery, however, housing looks to be near its bottom, exports are recovering and unemployment looks to be falling.

With this top down view our focus has been on the few growth areas in an otherwise weak global growth environment and on areas where demand is less sensitive to the economic cycle – much the same as we have been saying for the past two years.

One of these areas is internet related companies. Online commerce continues to take market share away from conventional commerce. In international markets this trend has a long way to go, and despite the cycles that we see in overall spending, the market share gains by online commerce has given these companies a better growth rate of sales. We have continued to look for new growth ideas in this area.

In Europe, we continue to avoid owning banks; many of them are potentially insolvent. The liquidity provided to the banks by the ECB is merely life support, whereas the liquidity that reaches strongly capitalized companies with dominant positions in solid industries will lead to growth. We are focusing on finding more of this latter group of strong companies that the crisis has left on attractive valuations for their level of growth, particularly those with exposure to US markets.

One example of this type of European company that we have mentioned before is German pharmaceutical company Bayer. Bayer remains one of our Best Ideas List (BIL) stocks. It manufactures and sells its products globally and has one of the strongest new product pipelines in the pharmaceutical industry. After a strong fourth quarter it still only trades on a forward price/earnings ratio of not much more than 10 times.

We have also favored companies that are less dependent on bank funding. Companies with strong balance sheets that are self funded out of their internally generated cash flow have a funding advantage in the current climate of financial stress. Many energy and health care companies fall into this category while, in general, European companies tend to be much more dependent on bank lending for their growth.

Neither gold miners nor agricultural commodity stocks performed well in the quarter, or in December in particular. However, we continue to like this part of the market. Both have demand driven by factors other than the economic cycle and both benefit from liquidity and loose monetary policy. Though liquidity had been tightening at the end of last year due to European bank deleveraging, the response by the ECB to expand their balance sheet and continued loose monetary policy conditions throughout the western world will remain supportive for non-economically sensitive commodities.

Risks to the economy do remain in what is still an over-indebted world but the central bank response has consistently been to provide loose monetary policy and additional liquidity. We continue to focus on finding companies that are less exposed to the economic cycle and those that are direct beneficiaries of central bank liquidity.

Alan Puklin
Senior Institutional Relationship Manager
Institutional Client Service

100 Park Avenue
New York, NY 10017
Tel: 212.850.1612
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alan.puklin@columbiamanagement.com

January 23, 2012

Ms. Danean Wright
BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
515 Center Avenue Suite 706
Bay City MI 48708-5128

Re: Bay County- 4th Quarter End

Dear Danean:

We are pleased to enclose our quarterly report as an Investment Manager for the Bay County Employees' Retirement System for the quarter ended December 31, 2011.

The following table highlights the performance for your portfolio as of December 31, 2011, compared to your stated benchmark of the Russell 1000 Value Index plus 1% annually:

	Market Value as of 12/31/2011	Quarter ended 12/31/2011	1 Year ended 12/31/2011	Since inception*
Total Portfolio	\$24,527,880.98	15.45%	3.90%	4.02%
Russell 1000 Value Index + 1% annually		13.38%	1.40%	4.15%
S&P 500 Index		11.82%	2.11%	1.24%

* Inception Date: January 26, 2001

The U.S. stock market rose sharply in the fourth quarter capping of a volatile year. The broad market as measured by the S&P 500 returned 11.8% in the fourth quarter salvaging what had been a dismal 2011 highlighted by fears about a slowing U.S. economy and the European debt crisis. The strength in the fourth quarter was broad based with value outperforming growth and small-cap stocks outperforming mid and large cap. The top performing sectors in the quarter in the broad market were energy, industrial and materials. Towards the end of the fourth quarter we saw some progress on solving the debt crisis in Europe which helped to calm the nerves of investors. The U.S. Labor Department reported a drop in the unemployment number from 9.0% to 8.6% the lowest level in two and a half years. In December Congress agreed to a 2 month extension of the payroll tax cut. All of these events had a positive impact on the U.S. stock market and created the hope for a better 2012.

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On an absolute basis the portfolio outperformed the Russell 1000 Value Index and the broad market as measured by the S&P 500 Index for the quarter ended 12/31/2011. The outperformance for the quarter was primarily attributable to both sector and stock selection. The best performing sectors on a contribution to return basis in the quarter were Consumer Staples and Energy. The largest distracters were Financials and Information Technology.

Financials, which comprised 18% of the portfolio under the 24% weighting in the Russell 1000 Value Index recovered in the fourth quarter after a tough first 9 months of the year. The recovery in the quarter was primarily driven by a reduction in the fears of the European debt crisis. Although the U.S. banks are in excellent shape- well capitalized and strong balance sheets there are still numerous head winds facing them. Continued regulatory restrictions and higher capital requirements are making it more difficult in the short term. We believe that long term this will benefit the major banks. However, until the crisis in Europe is resolved the sector will remain somewhat volatile. On a stock by stock holding Bank of America (BofA) was the worst performer among the group for both the quarter and the full year. We believe that the drop in BofA is unwarranted given the strong balance sheet of the banks and we plan on maintaining our holding. The other holdings in the sector, JP Morgan, Wells Fargo, U.S. Bancorp and the insurance stocks, Met Life and Prudential are all in strong positions. We are confident in these positions we and do not plan on making any changes to the financial sector stocks at this time. We believe that financial; stocks will generate considerable alpha going forward.

Energy stocks were the best performers in the quarter on the heels of rising oil prices. Our holdings in the sector include Marathon Oil, Valero Energy, Williams Cos., Conoco and Chevron. Williams was the best performing stock in the portfolio for the quarter as earning rose and demand increased. We continue to believe that the demand for energy will continue to grow especially in China and other developing areas of the world and we plan on continuing to focus our investments on producers and refiners/marketers.

Outlook

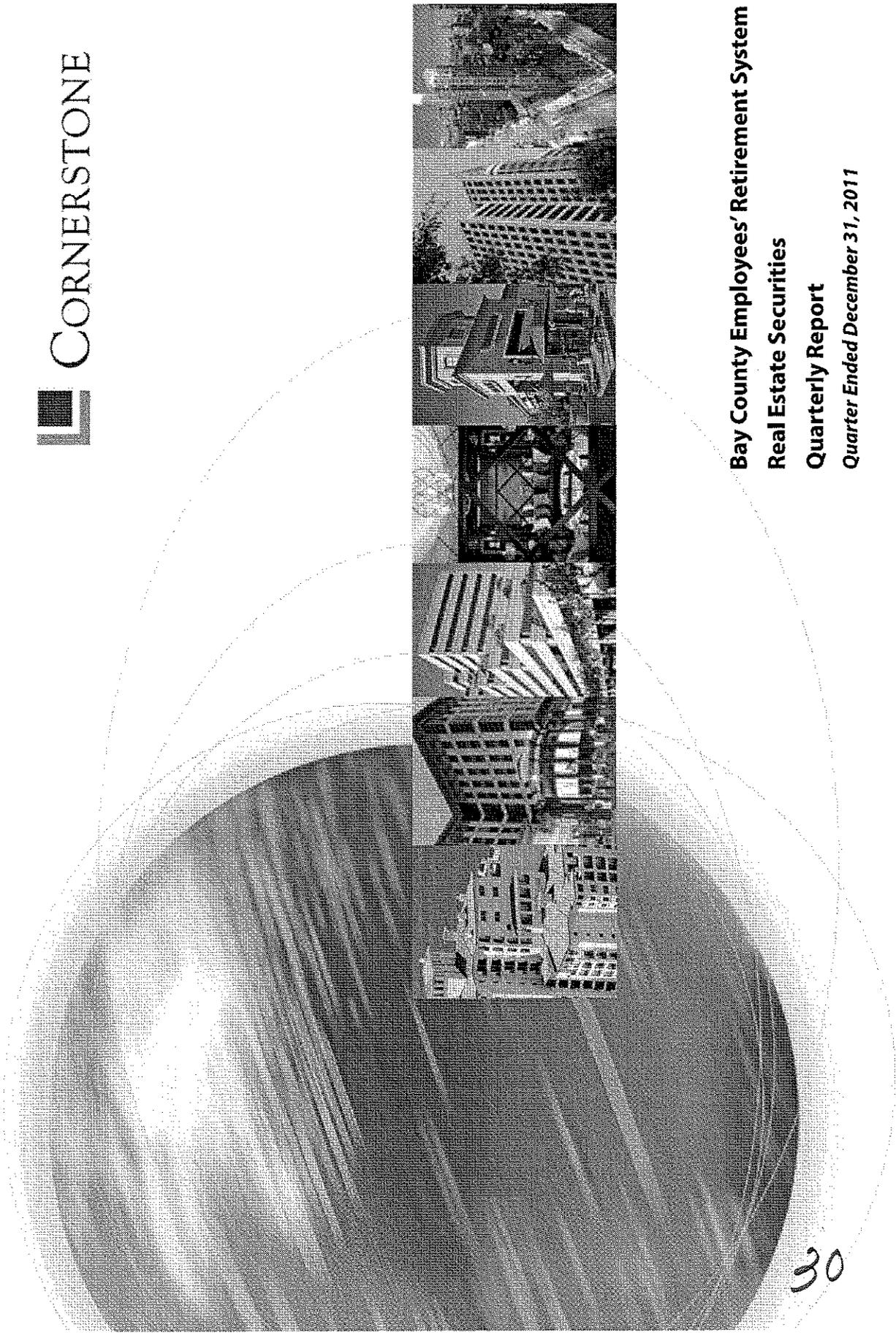
We are cautiously optimistic on the U.S. stock market for 2012. A continued accommodative monetary policy and strong corporate profitability coupled with a low interest rate and inflation environment should help fuel stocks. Corporate cash levels remain at record highs and as the economy improves, companies will both increase capital expenditures, and raise dividends. We continue to be concerned about the high unemployment rate, although we are seeing some signs recovery, which may continue to diminish consumer spending and could temporarily derail US economic growth. The situation in Europe remains worrisome although it appears that Germany and others will find a solution to the problems. Going into 2012 we are not making any significant changes in the portfolio positioning. We are looking forward to a good 2012.

If you have any questions on your account or would like to discuss any aspect of portfolio performance, please do not hesitate to call me.

Best Regards,



Alan J. Puklin



**Bay County Employees' Retirement System
Real Estate Securities
Quarterly Report
Quarter Ended December 31, 2011**

January 31, 2011

Bay County Employees' Retirement System
Bay County Voluntary Employees' Beneficiary Association
Bay County Building
515 Center Avenue, Suite 706
Bay City, MI 48708-5128

Dear Bay County Employees' Retirement System:

The total return of the Bay County Employees' Retirement System REIT account for the quarter ended December 31, 2011 is as follows:

Portfolio	Bay County's Total Return Ending December 31, 2011	
	Quarter	YTD
Bay County Employees' Gross	15.78%	9.68%
Bay County Employees' Net	15.61%	9.03%
FTSE NAREIT Equity REIT Index	15.22%	8.29%

REIT Market Overview

Equity markets remained volatile during the fourth quarter as global headlines impacted the market more than underlying fundamentals. The broader market achieved strong gains early in the fourth quarter on the hopes of a resolution for the European debt crisis. When no grand solution arose by mid-quarter the market gave back much of these gains, before once again staging a strong rally after global monetary authorities provided much needed liquidity to European banks and a string of better-than-expected economic data was released in the U.S. Despite continued signs of solid fundamentals and good earnings growth, REITs were not immune to the volatility in the broader market and vacillated between strong gains and flat for much of the quarter. The December rally however, allowed the REIT sector to outperform the broader equity market for both the quarter and full year.

Unlike the previous quarter where investors were willing to pay any price for sound balance sheets and well covered dividends, investors were a bit more rational about stock selection during the quarter. As such, while maintaining one eye on higher quality names, risk tolerance picked up marginally allowing some of the more economically sensitive sectors with depressed valuations to outperform.

Market Commentary

We believe the positive trend in domestic economic activity that occurred in the fourth quarter will continue to gain momentum allowing the U.S. economy to maintain its slow recovery trajectory in 2012.

Consumer sentiment should be bolstered by stronger labor markets; while business confidence and spending could receive a positive jolt as clarity on regulatory pressures from Washington improves. In our opinion, the greatest risks to the U.S. economy remain centered in Europe, which has likely relapsed into a recession and still faces significant challenges this year. While a recession in Europe will curtail some economic activity domestically, we believe recent policy decisions by the ECB have taken a Lehman-like event off the table, thereby greatly reducing the potential risk of a global liquidity crisis.

Commercial real estate fundamentals remain strong for all property types. Demand for space may have downshifted slightly in the second-half of 2011 due to the macro-economic uncertainty, but the lack of new supply allowed landlords to continue raising rents throughout the year. While the modest economic and labor market growth is obviously disappointing from a macroeconomic perspective, it serves to keep development in check, thereby acting as a boon for commercial real estate fundamentals. Indeed, despite tempering our demand expectations, the lack of new supply across all property types offsets any potential impact to our estimated 2012 NOI growth rates. We expect REITs to enjoy another year of positive NOI growth in 2012. In addition to improving cash flows, absent a dislocation in the credit markets, we believe real estate valuations should remain relatively stable thanks to the Federal Reserve's zero interest rate policy, which should make real estate cash-flows more attractive to long-term core investors despite any deterioration in economic activity.

REITs enter 2012 in a similar position to where they were in 2011. The sector should continue to benefit from a number of tailwinds, reasonable and growing dividends, better balance sheets, a low cost of capital, and strong real estate fundamentals which should drive solid earnings growth and value creation. Dividend yields of approximately 3.8% are secure and backed by extremely low payout ratios providing ample room for dividend growth over the next few years as cash flow growth remains positive. Unlike the 2008 recession when REITs were highly levered and faced near-term maturities, the sector today has healthy balance sheets, limiting the need for dilutive equity raises. Moreover, the sector enjoys access to attractively priced debt capital which has the dual benefit of making it easier to finance accretive acquisitions and helps to keep cap rates low, thereby supporting property valuations.

Property Markets

Our slow and steady economic recovery outlook for the U.S. has not changed materially over the past year. We continue to believe that this outlook, while unexciting for the broader economy, will help to keep real estate supply and demand in balance, thereby supporting continued improvement in real estate fundamentals across most property types.

Office

Reflecting the broad improvement in employment, Office markets continued to stabilize throughout 2012. Although releasing spreads remained negative for most markets, gains in occupancy led to a smaller rate of decline and stronger tenant activity. That said, the pace of improvement is not consistent across the entire marketplace. High barrier CBD markets with lower structural vacancy and a concentration of tech, energy jobs will likely continue to outperform the lower-barrier suburban markets which are negatively impacted by shorter lease terms and modest jobs growth. We believe these trends will likely continue into 2012 as the market continues its gradual return to equilibrium levels. Accordingly, we continue to favor REITs with greater exposure to the CBD coastal markets, versus their suburban peers.

Apartments

While multifamily fundamentals on a historic basis remain extremely strong thanks to positive demographic trends and a cyclical shift in sentiment toward rental housing from homeownership, it appears we reached an inflection point in the pace of growth. Indeed, as we warned in our recent letters, although the pace of mid to high-single digit rental rate increases continued throughout the third quarter, the pace of these increases slowed slightly as income growth failed to keep up. As such, we believe Multifamily REIT shares, which enjoyed a prolonged period of outperformance could face an extended period of underperformance as NOI growth rates fail to meet Wall Street's lofty expectations. What's more, unlike other sectors which have no new supply on the horizon, planned development starts have been rising in the multifamily sector over the last few quarters. This supply won't reach the market until 2013 at the earliest, but it could curtail longer-term growth prospects for the sector as it comes on line.

Retail

Despite a relatively strong Christmas selling season, consumer spending was relatively lukewarm in 2011. This lack of strength weighed most heavily on demand for small-shop leasing, placing greater pressure on shopping center landlords versus their regional mall peers who are benefitting from continued demand for space in high productivity centers. Due to an aging baby-boomer generation, which we believe will reduce consumption in favor of savings as they approach retirement age over the coming decade, we believe this trend is likely to continue through much of 2012. Accordingly, lower quality retail centers will likely struggle with higher vacancy over the next few quarters. That said, higher-quality outlets that cater to more affluent shoppers should continue to see demand for new space from retailers driving modest rent increases. As such, we currently favor "A-Quality" Regional Mall REITs versus "B-Quality" Regional Malls and Shopping Center REITs.

Lodging

Much like the multifamily sector, the Lodging sector enjoyed tremendous fundamental improvement during 2011 thanks to little new supply, an uptick in economic activity, leading to strong occupancy and room rate growth. While the rate of growth will still be impressive on a historic basis in 2012, similar to our view on apartments, we believe that while business conditions and trends remain quite favorable the rate of growth will likely decelerate modestly from the robust levels achieved in 2011. That said, unlike Apartment REIT stocks which enjoyed strong performance in 2011, Lodging REIT stocks lagged the market considerably due to the uneven nature of the economic growth and concerns about the global macroeconomic environment and the potential impact a slowdown would have on hotel demand. As such, Lodging stocks trade at attractive valuations relative to both the rest of the REIT universe and prices seen in the direct property market; hence, we are much more constructive on the prospects for Hotel REIT shares this year.

Industrial

The modest global economic recovery continues to fuel a slow but steady improvement in the Industrial sector as the occupancy levels rose in every quarter of 2011. That said, occupancy remains about 100 bps below the long-term average, making it extremely difficult to push rents. Despite the weakness in national numbers, major port markets, particularly west coast markets that cater to the Asian trade, are

much tighter, setting the stage for rent growth this year. As such, we favor Industrial REITs with greater exposure to these markets. Finally, like the Lodging sector, the Industrial REITs were amongst the worst performing sectors in 2011 due to concerns about the strength of the global macro-economic environment. While we acknowledge that the European debt situation is far from resolved, placing downward pressure on global GDP growth, many Industrial REITs enter 2012 trading at extremely discounted valuations versus both the private market and other property sectors and appear poised for strong performance in 2012 assuming the global economy avoids a recession.

REIT Outlook

As we begin 2012, we believe REITs continue to stack up relatively well to other asset classes in a low interest rate environment. Valuations are in line with those seen in the direct property market for similar quality assets. Assuming modest economic growth in 2012, real estate fundamentals should remain relatively robust thanks to favorable supply and demand characteristics for nearly every property type, thereby driving earnings growth in the 10% range. Finally, REIT dividends, which currently yield around 3.8%, appear poised for 8%-10% growth this year. Continued earnings growth and record low payout ratios should support high single-digit dividend growth over the next few years. In all, based on attractive relative valuations, strong real estate fundamentals, and growing dividends, we believe REITs should generate total returns in the 8%-12% range in 2012. What's more, at this point of the cycle we have a preference for the more economically leveraged sectors that are still trading at attractive relative valuations, like Lodging and Industrial.

Sincerely,

Scott Westphal
Managing Director, Global Real Estate Securities

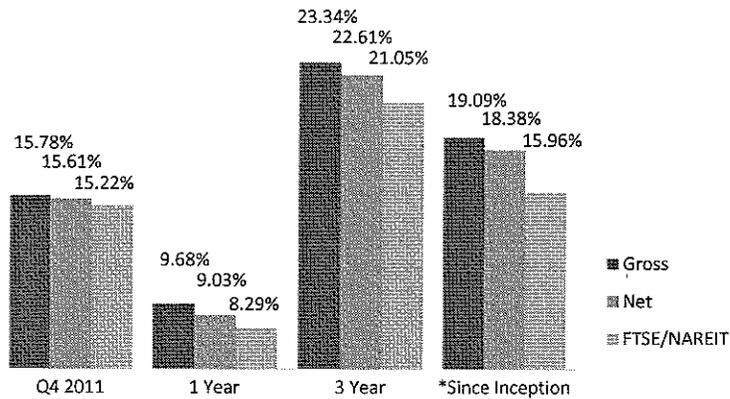


PERFORMANCE HISTORY
Bay County Employees' Retirement System

Total Return

Time Period	Portfolio Returns		FTSE/NAREIT Equity Index
	Gross	Net	
Q4 2011	15.78%	15.61%	15.22%
1 Year	9.68%	9.03%	8.29%
3 Year	23.34%	22.61%	21.05%
*Since Inception	19.09%	18.38%	15.96%

**Inception Date 10/21/2008*





PERFORMANCE HISTORY
Bay County Employees' Retirement System

Time Period			Percent Return Per Period		
			Gross	Portfolio Net	FTSE/NAREIT Equity Index
11/30/2011	to	12/31/2011	4.87%	4.82%	4.67%
12/31/2010	to	12/31/2011	9.68%	9.03%	8.29%

Bay County Employees' Retirement System
 05231100/
 SmallCap Growth Equity

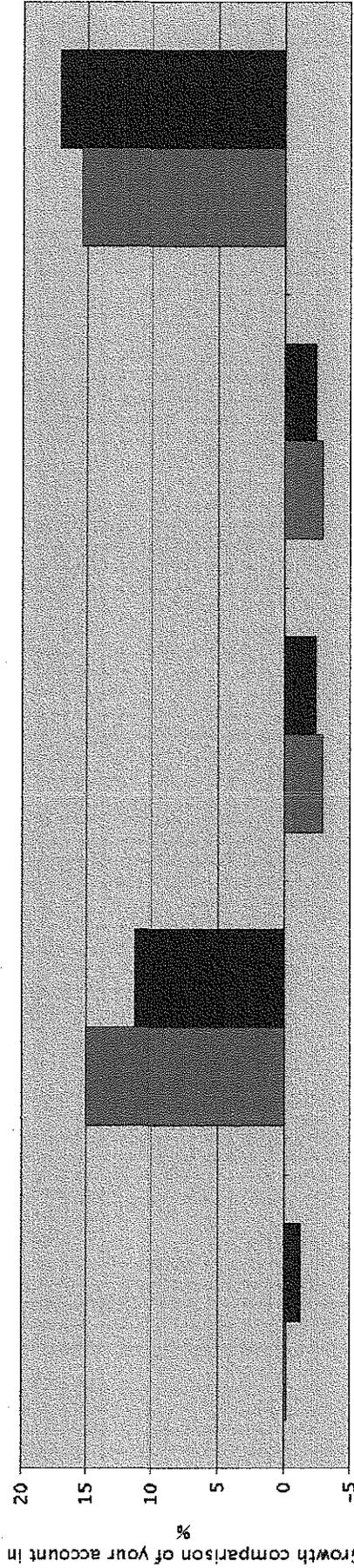
PORTFOLIO VALUATION AND STATEMENTS

CURRENT PERIOD STARTED ON: 12/01/2011
 CURRENT QUARTER STARTED ON: 10/01/2011
 YEAR-TO-DATE STARTED ON: 01/01/2011
 INCEPTION DATE: 09/03/2010

AS OF 12/31/2011

ANALYSIS OF RATES OF RETURN

	CURRENT MONTH	CURRENT QUARTER	YEAR-TO-DATE	PAST 12 MONTHS	ANNUALIZED THREE-YEARS	ANNUALIZED FIVE-YEARS	ANNUALIZED SINCE INCEPTION
TOTAL MANAGED ASSETS	-1.25%	11.27%	-2.41%	-2.41%	N/A	N/A	17.09%
Russell 2000 Growth Index	-0.22%	14.99%	-2.91%	-2.91%	N/A	N/A	15.43%



Bay County Employees' Retirement System
05231100/
SmallCap Growth Equity

PORTFOLIO VALUATION AND STATEMENTS

CURRENT PERIOD STARTED ON: 12/01/2011
CURRENT QUARTER STARTED ON: 10/01/2011
YEAR-TO-DATE STARTED ON: 01/01/2011
INCEPTION DATE: 09/03/2010

AS OF 12/31/2011

SUMMARY

CONTRIBUTIONS THRU 12/01/2011	\$6,520,181
DEPOSITS MADE DURING STATEMENT PERIOD	\$0
SECURITIES	\$0
CASH	
WITHDRAWALS MADE DURING STATEMENT PERIOD	
SECURITIES	\$0
CASH	\$0
TOTAL CONTRIBUTIONS THRU 12/31/2011	<u>\$6,520,181</u>
MARKET VALUE OF ACCOUNT AS OF 12/31/2011	<u>\$8,452,696</u>

We have provided this information regarding your account(s) based on sources we believe to be reliable and accurate. We encourage you to compare the account balances contained in this report to those balances reflected on the statements you receive directly from your account's custodian. Please contact us or the account custodian with any questions you may have. Also, please notify us promptly if you do not receive statements on all accounts from the custodian on at least a quarterly basis.

Danean Wright - Eagle Asset Management Executive Update

From: EAM Inst Services <Inst.Services@EagleAsset.com>
Date: 1/27/2012 6:14 PM
Subject: Eagle Asset Management Executive Update

EAGLE | Asset
Management

880 Carillon Parkway
St. Petersburg, FL 33716
p: 800.235.3903 | eagleasset.com

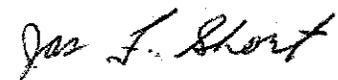
Co-chief operating officers Richard Rossi and Cooper Abbott, who have been running the day-to-day operations of Eagle since 2009, will assume leadership of Eagle Asset Management on Feb. 1 due to the upcoming retirement of CEO Richard K. Riess.

Rossi has served as president and co-chief operating officer since 2009 and 2007, respectively. Abbott has served as executive vice president and co-chief operating officer of Eagle since 2009. Additionally, Rossi will continue to report to the Eagle Family of Funds as president of each fund.

This is an administrative change we want to tell you about; however, there will be no change to the ownership or control of Eagle (or the Eagle Family of Funds), nor will there be any material change in investment-advisory or portfolio-management services we provide. Please read the [news release](#) for further details.

We appreciate the opportunity to continue providing superior investment solutions for you. Please contact your institutional client relations officer or myself at (800) 235-3903 if you have any questions.

Sincerely,



Jas Short
Director of Client Relations

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INTEGRITY ASSET MANAGEMENT

January 19, 2012

Ms. Danean Wright
Bay County Employees' Retirement System
515 Center Ave, Suite 706
Bay City, MI 48708

Dear Danean:

Enclosed please find the quarterly portfolio review as of December 31, 2011 for the Bay County Employees' Retirement System account.

If you have any questions or require additional information, please let me know.

Best regards,

Andrea E. Leistra
Investment Manager

AEL/wjk

Enclosure

cc: Mr. Richard L. Potter

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Bay County Employees' Retirement System

December 31, 2011



INTEGRITY ASSET MANAGEMENT

Bay County Employees' Retirement System

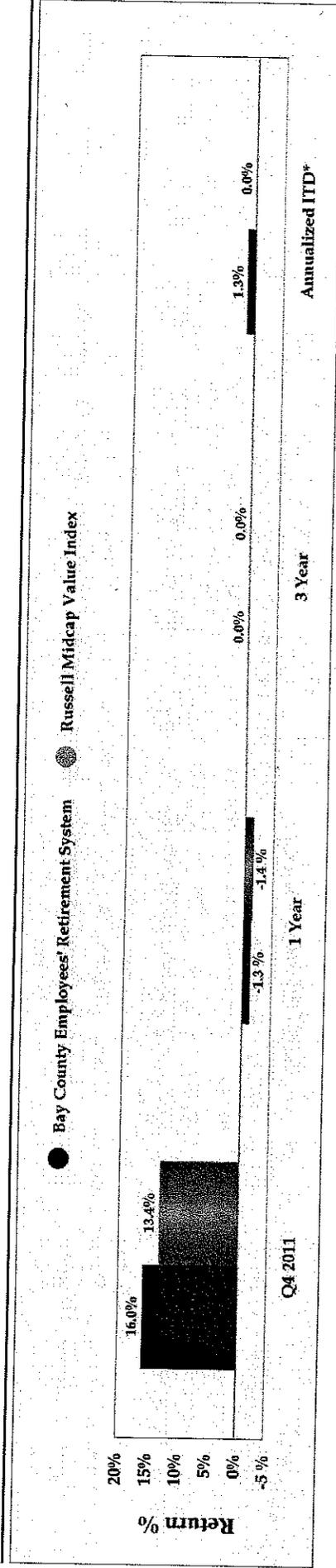
As of 12/31/11

Account Performance

For the quarter ending December 31, 2011, your portfolio returned 15.95% versus the Russell Midcap® Value index, which returned 13.37%.

The Integrity Mid Cap Value Composite outperformed the Russell Midcap® Value index by 271 basis points in the fourth quarter. Stock selection in Industrials, Financials and Energy led the way. Stock selection in Utilities was the biggest detractor. Sector weightings were a minor headwind due to an overweight in Health Care. A higher relative beta than our benchmark helped performance.

Performance Review (Annualized) Gross of Fees



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Portfolio Performance	Q4 2011	1 Year	3 Year	Annualized ITD*
Bay County Employees' Retirement System	15.95%	-1.26%	18.50%	1.27%
Russell Midcap Value Index	13.37%	-1.38%	18.19%	0.00%
Relative Performance	2.58%	0.12%	0.31%	1.27%

* Since Inception 1/3/07

Bay County Employees' Retirement System Market Review & Outlook

As of 12/31/11

A few positives have emerged in the macro environment since our last quarterly update. The U.S. economic news has been better than expected from jobs to auto sales to housing to corporate profits. The U.S. unemployment rate is at 8.5%, far better than most skeptics had forecast, global inflation fears have abated and corporate profitability is solid. The Europeans have made headway in alleviating some of the real draconian fears of a Lehman type of event (facilities to improve funding and enhance liquidity) and central banks across five continents are undertaking the broadest reduction in borrowing costs since 2009, according to Bloomberg News. We have seen fixed income spreads tighten across the board which is a great sign for the equity markets.

Having said that, news out of Europe will continue to rule the day as a majority of investors still believe there is going to be a market crippling event coming from across the Atlantic. Equity market performance in 2012 will be dictated by what happens in Europe. While we are quite concerned about the European sovereign debt crisis and its effects on the global economy, we hope these positive macro developments and Europe's efforts to improve liquidity will shift investor focus away from Europe (macro) and back to company fundamentals (micro).

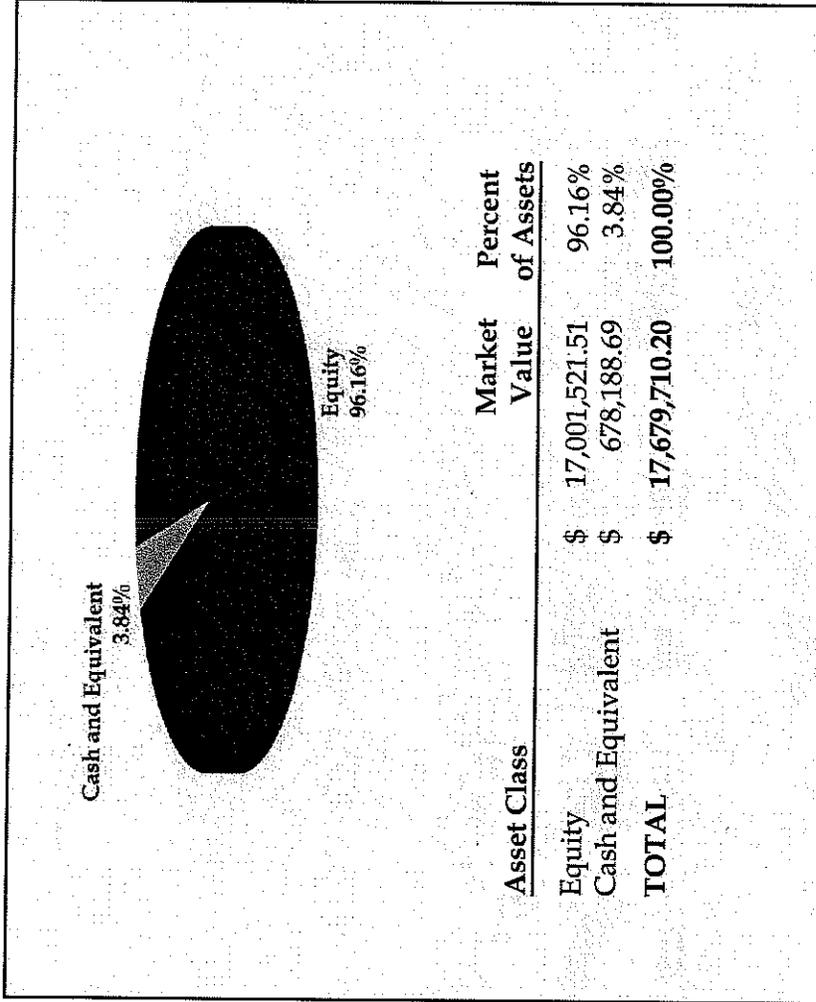
As far as valuation, according to Empirical Research, the trailing earnings yield of the broad market is 5.5% which translates into a market that has historically been cheaper only 15% of the time over the last 60 years. Additionally, when the market is this inexpensive, returns have been very strong over the following 2 years, up roughly 45%, according to Empirical. It will be a very volatile year, but we believe Europe will contain their sovereign debt crisis and the market should perform admirably. Given this market backdrop, we believe our diversified approach to portfolio management will serve us well and we will let valuation be our guide. The portfolio continues to be positioned for up markets, but we are not sticking our neck out by any means.

In summary, we believe this is going to be the "Ugly Duckling" market, not the "Black Swan". We are watching the macro environment and corporate profits very closely. As the global economy reaccelerates, this should help put a little wind in the Europeans back and we hope "The Ugly Duckling" turns into a White Swan like the Hans Christian Andersen story.

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Portfolio Summary

Current Asset Allocation



Portfolio Summary

Bay County Employees Ret System
4407N1

Date Run: 01/17/2012
Period Covered: 11/30/2011 to 12/31/2011

Portfolio Composition as of 12/31/2011

Total Market Value	% of Total
Bonds	93.88%
Cash and Equivalents	4.93%
Accrued Income	1.19%
Total	100.00%

Statement of Changes

Total Market Value at 11/30/2011	26,610,513
Net Additions/Withdrawals	0
Income Earned	107,810
Portfolio Appreciation/Depreciation	504,315
Total Market Value at 12/31/2011	27,222,638

Performance Returns (Supervised Assets)

	1Mth	3Mths	YTD	1 YR	3 YRS*	5 YRS*
Total	2.30	2.48	8.61	8.61	14.12	7.27
Barclays Credit ^	1.94	1.70	8.35	8.35	10.90	6.80

* - Returns are annualized

^ Barclays Credit from 6/30/1999 thru 12/31/2011
Citigroup Broad Inv-Grade (BIG) from 01/31/1997 thru 6/30/1999

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LOOMIS SAYLES

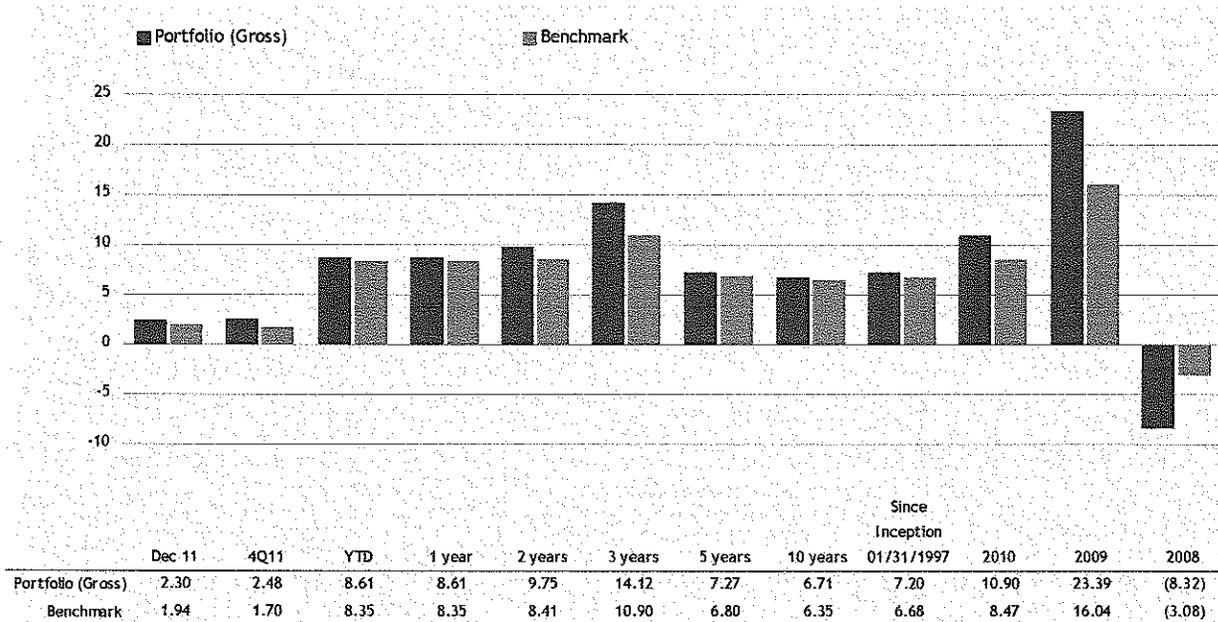
performance review

october-december 2011

MARKET VALUE

TOTAL PRINCIPAL	ACCRUED INCOME	TOTAL PORTFOLIO
\$26,898,470	\$324,168	\$27,222,638

RETURNS (%)



DRIVERS OF PERFORMANCE

- 2011 was a year of macro themes and events that challenged performance in riskier assets but led to phenomenal gains in safe havens like U.S. Treasuries.
- Despite acrimonious debt ceiling negotiations and a debt downgrade in the US, Treasuries became the haven of choice. The 10-year yield plunged about 100 bps. in the 3rd quarter and held on through the 4th quarter to end the year almost 150 bps lower for the year, earning a total return of over 17%.
- Relative to duration matched Treasuries, corporate performance disappointed in 2011. The spread on the index moved from roughly 150 bps in the 1H:2011 to 250 bps in early October when “risk off” fears were strongest. Spreads narrowed to 234 by year-end. Financials were particularly hard hit all year on concerns over European banks. Industrials and utilities did better, particularly technology and capital goods.

The current benchmark is Barclays Credit. (1) Citigroup Broad Inv-Grade (BIG) from 1/31/1997 to 6/30/1999; and Barclays Credit from 6/30/1999 to 12/31/2011. Returns over one year are annualized. Information is reported on a trade date basis. Data Source: Barclays Capital, Bloomberg

MackayShields

9 West 57th Street, 33rd Floor
New York, NY 10019

Happy New Year!

Mackay Shields would like to express our sincere appreciation for the privilege of working with you and your organization. We are grateful for the continuing opportunity to be of service.

As you know, in mid-December the firm welcomed our new Chairman and Chief Executive Officer, Jeffrey Phlegar. Jeff brings to Mackay a wealth of fixed income knowledge along with a strong understanding of the global asset management business. His proven leadership and management experience will be of great value to the firm as we continue our pursuit of excellence on behalf of our clients. With Jeff's joining us, Lucille Protas, who was our Acting CEO and is a 37 year veteran of the firm, will be assuming the newly-created position of President and Chief Operating Officer. For your use the following page provides a brief biography for Jeff and Lucille.

The New Year always seems an appropriate time to look closely at our ability and capabilities in terms of servicing your account. We welcome any suggestions or insights you might be willing to share with us on how our servicing program can be improved or more specifically, ways in which we can better meet your needs and expectations. As a basic, in order that our profile on your account is accurate, please let us know if there have been any changes to your reporting or contact details.

The following is the Fourth Quarter, 2011 investment summary report for your portfolio. Please feel free to call us if you have any questions or concerns relating to our firm, this report or the markets in general.

Best wishes for a peaceful, happy and prosperous 2012.

Kind regards,



Virginia Rose

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MackayShields

9 West 57th Street, 33rd Floor
New York, NY 10019

Biographies

Jeffrey Phlegar *Chairman & Chief Executive Officer*

Jeffrey Phlegar became the Chairman and Chief Executive Officer of Mackay Shields LLC in December, 2011. An 18 year veteran of AllianceBernstein, Jeff most recently served as president of Special Opportunities and Advisory Services, responsible for building a variety of new business initiatives, including the firm's new alternatives platform.

From 2004 through 2008, Jeff co-lead AllianceBernstein's fixed income division as executive vice president and chief investment officer. In this role, he was responsible for overseeing all aspects of the firm's fixed income business, including oversight of its portfolio management, research and risk management teams, client relationships worldwide, as well as the development and implementation of new products and successful strategies for distribution, servicing, and technology/operations.

Previous roles at AllianceBernstein included serving as Director of U.S. Fixed Income and Insurance, Director of Liquid Markets/MBS and portfolio manager for Taxable Fixed Income & Insurance. Prior to joining AllianceBernstein in 1993, Jeff had portfolio manager responsibilities at Equitable Capital Management and served as a fixed income product specialist at Dreyfus Corp.

Jeff received his MBA from Adelphi University and a BBA at Hofstra University.

Lucille Protas *President & Chief Operating Officer*

Lucille joined the firm in 1973 as an Investment Research Assistant and became Senior Analyst in the accounting and financial division in 1977. Lucille was named Treasurer in 1983, became a Director in 1988, and was made Chief Administrative Officer in 1992 and then Chief Operating Officer in 2007. Lucille was promoted to Managing Director in 1996 and Senior Managing Director in 2000. Lucille has been in the investment management industry since 1973. She attended Fairleigh Dickinson University.

MackayShields



BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

Quarterly Report

December 31, 2011

FOURTH QUARTER 2011 – OVERVIEW OF QUARTERLY PERFORMANCE

MARKET OVERVIEW

The US convertible market, as measured by the BofA Merrill Lynch All Convertible Index, was up 4.29% in the fourth quarter of 2011, while underlying equities were up 9.42%. For the full year, the convertible bond market declined 5.18%.

December closed out a year characterized by much uncertainty and volatility in the marketplace. On the last trading day of November, equity markets rose sharply on news that six central banks made additional funds available to ease strains from Europe's debt crisis. In December, the markets continued to react to headlines coming from Europe. This mostly cautious and pessimistic news was mixed with some positive indicators on the United States, including improved consumer confidence, employment, and housing statistics.

Speculative-grade convertible bonds outperformed investment-grade convertible bonds during the quarter. Speculative-grade convertible bonds increased 4.64%, while investment-grade convertibles, as measured by the BofA Merrill Lynch Investment Grade Convertible Index, increased 2.54%. For the full year, speculative-grade convertible bonds were down 6.87%, while investment-grade convertible bonds fell 3.14%.

Consumer Discretionary, up 8.36%, was the best performing sector in the fourth quarter, followed by Industrials, up 7.77%. The worst performing sector was Transportation, which fell 5.95%. In 2011, Utilities (up 13.88%) was the best performing sector, while Transportation (down 28.26%) was the worst.

There were ten new convertible bond issues in the fourth quarter of 2011. The sectors represented in these new convertible bond issues included Healthcare, Technology, Consumer Discretionary, Financials, Materials, and Transportation. The amount of new issues for the fourth quarter totaled \$2.89 billion. The average amount raised from each convertible bond offering was \$289 million. For 2011, total proceeds from new issues of convertible bonds were \$24.28 billion.

PERFORMANCE

Most portfolios outperformed their respective benchmarks during the fourth quarter of 2011. Leading contributors included the convertible bonds of Danaher Corp., Stanley Black & Decker and Allegheny Technologies. Better core sales growth and strong overall incremental margin multi-industry company Danaher's profitability in the quarter. Also, integration of the newly acquired Beckman Coulter Division is on track and continues to add visibility into next year's earnings growth. Stanley Black & Decker's stock rebounded 41% from its low in late September and the company's convertible bonds followed suit. Management reiterated 2012 guidance, which provided some measure of confidence to investors. Also, industry fundamentals in homebuilding products saw modest improvements throughout the quarter. Last, specialty metals producer Allegheny Technologies' outperformed during the quarter. Allegheny's stock is up 46% since its low in early October, and its convertible bonds followed suit. The company's management highlighted the company's improving financial condition - the company posted improved free cash flow and improvement to its net debt position. Additionally, Allegheny's products, particularly titanium and nickel alloy, face growing industrial, oil/gas, and jet engine demand into 2012 and beyond.

Conversely, detracting from portfolio returns during the quarter were holdings in MF Global, Newmont Mining and Lam Research Corporation. As mentioned in our October 2011 commentary, on October 25th, financial services company, MF Global, reported a \$191.6 million loss as a result of trading in European bonds. Subsequently, Moody's and Fitch cut the company's rating to non-investment grade. The team sold its entire position in MF Global, given the company's exorbitantly high leverage to European sovereign debt. On October 31st, after portfolios exited the holding, the company filed for bankruptcy. Newmont Mining was also a leading detractor in the portfolio during the fourth quarter. In November, the company

FOURTH QUARTER 2011 — OVERVIEW OF QUARTERLY PERFORMANCE

temporarily suspended construction activities at its Minas Conga gold-and-copper project in an agreement with the Peruvian government, following anti-mining protests in the area. However, the company's common stock and convertible bonds were likely down in sympathy with the decline in the price of gold. Last, in December, Lam Research announced the acquisition of Novellus Systems, which combines two of the chip-equipment industry's biggest companies. The drop in Lam's common stock is most likely tied to arbitrage activity due to this acquisition as well costs connected to the synergy of these two companies; however, we believe that Lam Research is poised to significantly benefit from this acquisition.

OUTLOOK

In our opinion, stocks appear attractive, despite the risks associated with the potential unraveling of the European economic union and the austerity measures that must take place there to prevent sovereign debt defaults. We continue to believe that stocks in general are inexpensive and should provide compelling returns in the coming year. The average stock in the S&P 500 Index sells for just over twelve times next year's already lowered earnings estimates. Skeptics might argue that 2012 earnings estimates need to be lowered further. Even if that is correct, barring a dramatic collapse in corporate earnings, stocks would still be inexpensive. Further supporting our contention that stocks are attractive, the recent data releases show an American economy that is growing, as evidenced by factory activity and the decline in both the unemployment rate and the number people filing initial unemployment claims.

In addition, American manufacturing appears to be rebounding. There are numerous reports of companies bringing manufacturing projects back to the United States due to quality issues in China and the rising cost of land and labor there. While the U.S. manufacturing base is viewed by many as being in a state of perpetual decline, there are indications that that this may be reversing. In addition, the agricultural sector of the economy remains strong. Lastly, the U.S. is moving toward energy self-sufficiency through the development of shale oil and natural gas fields. Although U.S. oil production peaked in the 1980's, new drilling techniques and recovery methods are leading to increased U.S. energy production. Increased U.S. exploration activity and imports from Canada should reduce the level of non-North American imports and create tens of thousands of U.S. jobs.

Given the relatively attractive valuation of stocks and the slow but present economic recovery, we think that convertible bonds and stocks are likely to be higher in twelve to eighteen months than where they stood on December 31st 2011. Following the underperformance in 2011, we believe that convertible bonds remain an excellent vehicle through which to participate in further equity advances, especially given the significant macro uncertainty stemming from Europe and the risks surrounding domestic public policy in the United States. At the current attractive valuations, convertible bonds should participate in the majority of the stock market's advances but less than half of any decline in the event that our outlook for equities is wrong. While the convertible market may not be able to continue to capture more than 100 percent of the upside of the stock market's advances, we believe that convertibles will continue to offer a compelling risk/reward profile.

This material contains the opinions of the Convertibles Team of Mackay Shields LLC but not necessarily those of Mackay Shields LLC. The opinions expressed herein are subject to change without notice. This material is distributed for informational purposes only, and is not intended to constitute the giving of advice or the making of a recommendation. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this article may be reproduced in any form, or referred to in any other publication, without express written permission of Mackay Shields LLC. ©2012, Mackay Shields LLC.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

Portfolio Composition and Performance — Account 1256
December 31, 2011

Composition	Market Value	Percent of Total
Fixed Income	15,109,919	85.29
Equity	2,299,407	12.98
Cash & Equivalents	306,487	1.73
Total Portfolio	\$17,715,813	100.00%

Performance	Latest Month	Latest 3 Months	Year To Date	Latest 12 Months	3 Years Annualized	5 Years Annualized	Since 10/1/2003	Annualized Since 10/1/2003
Total Fund (Gross of fees)	-0.57%	4.08%	-1.08%	-1.08%	10.79%	3.06%	50.90%	5.11%
Merrill Lynch Convertible Inv Grade	-1.03%	1.76%	-3.56%	-3.56%	10.01%	4.04%	44.72%	4.58%
ML Convt Inv Grade BDS (Inc Mandatory)	-0.78%	2.54%	-3.14%	-3.14%	9.46%	-1.04%	19.04%	2.13%

Expressed in USD
Past performance is not indicative of future results.

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BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

Summary Report – Account 1256
December 31, 2011

	Total Cost	Percent at Cost	Yield at Cost	Market Value	Percent of Assets	Yield at Market	Annual Income
Bonds	14,036,283	86.43	1.62	15,062,090	85.02	1.51	226,782
Stocks	2,203,163	13.57	5.14	2,291,769	12.94	4.94	113,239
Cash & Equivalents	0	0.00		306,487	1.73	0.09	276
Accrued Income				55,466	0.31		
Total Portfolio	\$16,239,446	100.00%	2.09	\$17,715,813	100.00%	1.93	\$340,297

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 801 S. CANAL
 CHICAGO, IL. 60675
 SECURITIES LENDING DIVISION C-1S

010000237 BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM SUMMARY EARNINGS STATEMENT CURRENCY: USD PAGE 1

BILLING DATE: 01/06/2012
 BILLING PERIOD: 12/01/2011 - 12/31/2011

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: BYC03					
ACCOUNT NAME: BAYCO- BARINGS					
OPEN CASH	0.00	0.00	0.00	67.49	67.49
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	67.49	67.49
TOTAL REBATES	0.00	0.00	0.00	508.55	508.55
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	576.04	576.04
BANK FEES	0.00	0.00	0.00	230.36	230.36
NET INCOME	0.00	0.00	0.00	345.68	345.68

ACCOUNT NUM.: 1799220					
ACCOUNT NAME: *TNT-LDN-BYC03-BAYCO-BARING-SL					
OPEN CASH	0.00	0.00	0.00	140.52	140.52
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	140.52	140.52
TOTAL REBATES	0.00	0.00	0.00	17.66	17.66
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	158.18	158.18
BANK FEES	0.00	0.00	0.00	63.07	63.07
NET INCOME	0.00	0.00	0.00	95.11	95.11

ACCOUNT NUM.: 2608694					
ACCOUNT NAME: *BAYCO - COLUMBIA MANAGEMENT					
OPEN CASH	0.00	866.40	0.00	0.00	866.40
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	866.40	0.00	0.00	866.40
TOTAL REBATES	0.00	106.15	0.00	0.00	106.15
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	972.55	0.00	0.00	972.55
BANK FEES	0.00	388.76	0.00	0.00	388.76
NET INCOME	0.00	583.79	0.00	0.00	583.79

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ACCOUNT NAME	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2618668					
ACCOUNT NAME: *BAYCO - BAIRD	-SL				
OPEN CASH	1,799.55	0.00	0.00	0.00	1,799.55
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	1,799.55	0.00	0.00	0.00	1,799.55
TOTAL REBATES	631.30	0.00	0.00	0.00	631.30
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	1,168.25	0.00	0.00	0.00	1,168.25
BANK FEES	467.15	0.00	0.00	0.00	467.15
NET INCOME	701.10	0.00	0.00	0.00	701.10

ACCOUNT NAME	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2620611					
ACCOUNT NAME: *BAYCO - MARVIN & PALMER	-SL				
OPEN CASH	0.00	760.01	0.00	25.53	785.54
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	760.01	0.00	25.53	785.54
TOTAL REBATES	0.00	81.99	0.00	2.72	84.71
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	842.00	0.00	28.25	870.25
BANK FEES	0.00	336.48	0.00	11.30	347.78
NET INCOME	0.00	505.52	0.00	16.95	522.47

ACCOUNT NAME	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2622490					
ACCOUNT NAME: *BAYCO - MACKAY SHIELDS	-SL				
OPEN CASH	340.27	169.84	0.00	0.00	510.11
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	340.27	169.84	0.00	0.00	510.11
TOTAL REBATES	570.04	256.20	0.00	0.00	826.24
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	910.31	426.04	0.00	0.00	1,336.35
BANK FEES	364.02	170.33	0.00	0.00	534.35
NET INCOME	546.29	255.71	0.00	0.00	802.00

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ACCOUNT NUM.: 2622536	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NAME: *BAYCO - HOTCHKIS & WILEY -SI					
OPEN CASH	0.00	1,119.70	0.00	65.39	1,185.09
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,119.70	0.00	65.39	1,185.09
TOTAL REBATES	0.00	67.89-	0.00	4.76-	72.65-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,187.59	0.00	70.15	1,257.74
BANK FEES	0.00	473.52	0.00	27.96	501.48
NET INCOME	0.00	714.07	0.00	42.19	756.26

ACCOUNT NUM.: 2624493	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NAME: *BAYCO - WENTWORTH -SI					
OPEN CASH	0.00	740.71	0.00	105.63	846.34
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	46.78	46.78
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	740.71	0.00	152.41	893.12
TOTAL REBATES	0.00	70.13-	0.00	13.03-	83.16-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	810.84	0.00	165.44	976.28
BANK FEES	0.00	324.22	0.00	66.12	390.34
NET INCOME	0.00	486.62	0.00	99.32	585.94

ACCOUNT NUM.: 2629086	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NAME: ZZ*BAYCO - BATTERYMARCH -SI					
OPEN CASH	0.00	0.00	0.00	0.00	0.00
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	0.00	0.00
TOTAL REBATES	0.00	0.00	0.00	0.00	0.00
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	0.00	0.00
BANK FEES	0.00	0.00	0.00	0.00	0.00
NET INCOME	0.00	0.00	0.00	0.00	0.00

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	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2639956					
ACCOUNT NAME: *BAYCO - DENVER INV ADV -SL					
OPEN CASH	0.00	1,262.08	0.00	96.49	1,358.57
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,262.08	0.00	96.49	1,358.57
TOTAL REBATES	0.00	569.49-	0.00	10.65-	580.14-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,831.57	0.00	107.14	1,938.71
BANK FEES	0.00	731.98	0.00	42.82	774.80
NET INCOME	0.00	1,099.59	0.00	64.32	1,163.91

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2641401					
ACCOUNT NAME: *BAYCO - LOOMIS SAYLES -SL					
OPEN CASH	0.00	0.00	129.57	0.00	1,222.08
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	129.57	0.00	1,222.08
TOTAL REBATES	0.00	125.77-	8.25-	0.00	134.02-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,218.28	137.82	0.00	1,356.10
BANK FEES	0.00	486.74	55.05	0.00	541.79
NET INCOME	0.00	731.54	82.77	0.00	814.31

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2653308					
ACCOUNT NAME: *BAYCO - INTEGRITY -SL					
OPEN CASH	0.00	1,248.72	0.00	39.83	1,288.55
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,248.72	0.00	39.83	1,288.55
TOTAL REBATES	0.00	108.26-	0.00	2.04-	110.30-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,356.98	0.00	41.87	1,398.85
BANK FEES	0.00	541.80	0.00	16.74	558.54
NET INCOME	0.00	815.18	0.00	25.13	840.31

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	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2663296					
ACCOUNT NAME: *BAYCO - CORNERSTONE REALES-SL					
OPEN CASH	0.00	1,115.16	0.00	0.00	1,115.16
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,115.16	0.00	0.00	1,115.16
TOTAL REBATES	0.00	94.22-	0.00	0.00	94.22-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,209.38	0.00	0.00	1,209.38
BANK FEES	0.00	482.57	0.00	0.00	482.57
NET INCOME	0.00	726.81	0.00	0.00	726.81

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2695063					
ACCOUNT NAME: *BAYCO - EAGLE ASSET					
OPEN CASH	0.00	1,241.18	0.00	39.48	1,280.66
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,241.18	0.00	39.48	1,280.66
TOTAL REBATES	0.00	2,188.49-	0.00	0.56-	2,189.05-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	3,429.67	0.00	40.04	3,469.71
BANK FEES	0.00	1,369.41	0.00	15.91	1,385.32
NET INCOME	0.00	2,060.26	0.00	24.13	2,084.39

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUM.: 2695063					
ACCOUNT NAME: *BAYCO - EAGLE ASSET					
OPEN CASH	3,232.33	8,523.80	129.57	580.36	12,466.06
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	46.78	46.78
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	3,232.33	8,523.80	129.57	627.14	12,512.84
TOTAL REBATES	64.51-	3,542.82-	8.25-	559.97-	4,175.55-
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	3,296.84	12,066.62	137.82	1,187.11	16,688.39
BANK FEES	1,317.91	4,819.07	55.05	474.28	6,666.31
NET INCOME	1,978.93	7,247.55	82.77	712.83	10,022.08

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2/7/2012

REFUNDS: FOR THE MONTH ENDED JANUARY 31, 2012

EMPLOYEE/BENEFICIAR'	CONTRIBUTIONS REFUNDED	PROCESSED ON	DEPARTMENT TERMINATED	TERMINATION DATE
Elder, Deanna	18,575.06	01/12/12	BMCF	11/22/11
Smith, Dominic	18,383.81	01/17/12	Health Dept	01/28/11
TOTAL REFUNDS:	36,958.87			

RETIREE	CONTRIBUTIONS TRANSFERRED	DEPARTMENT	EFFECTIVE DATE
Atkins, Bonnie	24,994.89	BMCF	01/02/12
Walraven, Marie	22,619.50	BMCF	01/07/12
Sutton, Patrick	89,098.66	CFO	01/14/12
Dewey, Thomas	57,404.68	BABH	12/30/11
Palmer, Diane	17,581.26	BABH	01/04/12
Matthews, Daniel	38,483.97	Deferred	01/14/12
Sweeney, Dee	35,780.97	Library	01/04/12
Lee, Robert	95,551.96	Sheriff	01/14/12

DECEASED EMPLOYEE/ RETIREE	BENEFICIARY	REFUND/ PENSION	DATE/DEPARTMENT
Mulders, Sharon	Spouse	Pension	01/01/12 BMCF
Labelle, Alice	N/A	Pension	01/05/12 District Ct.

NO REFUNDS EMPLOYEE NAME	ACCUMULATED CONTRIBUTIONS	UNION GROUP	DATE TERMINATED
Austin, Pat	194.28	BMCF	12/13/11
Prfessler, Nicholas	7.20	BMCF	11/28/11
Reagan, Donna	5,952.62	BMCF	12/19/11
Rock, Beatrice	7,100.01	BMCF	12/19/11
Ruppel, Lisa	6,716.17	BMCF	12/19/11
Russell, Suzanne	279.84	BMCF	12/26/11
Ratfisch, Bernd	542.65	USW PT	11/29/11
	20,792.77		

NOTICE OF PUBLIC MEETINGS

AMENDED*

THE BOARD OF TRUSTEES OF THE BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM, 515 CENTER AVENUE, 7TH FLOOR, BAY CITY, MICHIGAN 48708, PHONE NUMBER (989) 895-4030, HAS SCHEDULED REGULAR MEETINGS FOR **2012**. ALL MEETINGS WILL BE HELD AT **1:30 P.M.** IN THE **BOARD OF COMMISSIONERS CHAMBERS**, LOCATED IN THE BAY COUNTY BUILDING, 515 CENTER AVENUE, **4TH FLOOR**, BAY CITY, MI 48708.

JANUARY 10, 2012
FEBRUARY 14, 2012
MARCH 13, 2012
APRIL 10, 2012
MAY 8, 2012
JUNE 12, 2012
JULY 10, 2012
AUGUST 14, 2012
SEPTEMBER 18, 2012*
OCTOBER 9, 2012
NOVEMBER 13, 2012
DECEMBER 11, 2012

1/25/2012
Date

Crystal Hebert
Crystal Hebert
Finance Officer/Secretary
Bay County Employees' Retirement System,
Board of Trustees

The County of Bay will provide reasonable and necessary auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered the meeting, to individuals with disabilities at the meeting/hearing upon ten days notice to the County of Bay. Individuals with disabilities requiring auxiliary aids or services should contact the County of Bay by calling or writing: Michael Gray, Executive Assistant, Office of the Bay County Executive, 515 Center Avenue, Bay City, MI 48708, (989) 895-4130 or (989) 895-4049. TDD

**NOTICE OF
PUBLIC MEETING**

THE BOARD OF TRUSTEES OF THE BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM, 515 CENTER AVENUE, BAY CITY, MICHIGAN 48708, PHONE NUMBER (989) 895-4030, HAS SCHEDULED A SPECIAL MEETING FOR THE PURPOSE OF INTERVIEWING LARGE CAP GROWTH EQUITY MONEY MANAGERS. THIS MEETING WILL BE HELD ON THURSDAY, FEBRUARY 2, 2012 AT 1:00 P.M. IN THE BOARD OF COMMISSIONERS' CHAMBER LOCATED IN THE BAY COUNTY BUILDING, 515 CENTER AVENUE, FOURTH FLOOR, BAY CITY, MI 48708.

1/25/2012
DATE

Crystal Hebert
CRYSTAL HEBERT
FINANCE OFFICER/SECRETARY
BAY COUNTY EMPLOYEES'
RETIREMENT SYSTEM,
BOARD OF TRUSTEES

The County of Bay will provide reasonable and necessary auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered, to individuals with disabilities at the meeting/hearing upon ten days notice to the County of Bay. Individuals with disabilities requiring auxiliary aids or services should contact the County of Bay by calling or writing: Michael Gray, Executive Assistant, Office of the Bay County Executive, 515 Center Avenue, Bay City, MI 48708, (989) 895-4130 or (989) 895-4049. tdd

**NOTICE OF
PUBLIC MEETING**

THE BOARD OF TRUSTEES OF THE BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM, 515 CENTER AVENUE, BAY CITY, MICHIGAN 48708, PHONE NUMBER (989) 895-4030, HAS SCHEDULED A SPECIAL MEETING FOR THE PURPOSE OF INTERVIEWING LARGE CAP GROWTH EQUITY MONEY MANAGERS. THIS MEETING WILL BE HELD ON THURSDAY, FEBRUARY 14, 2012 AT 9:00 P.M. IN THE BOARD OF COMMISSIONERS' CHAMBER LOCATED IN THE BAY COUNTY BUILDING, 515 CENTER AVENUE, FOURTH FLOOR, BAY CITY, MI 48708.

2/7/2012
DATE

Crystal Hebert
CRYSTAL HEBERT
FINANCE OFFICER/SECRETARY
BAY COUNTY EMPLOYEES'
RETIREMENT SYSTEM,
BOARD OF TRUSTEES

The County of Bay will provide reasonable and necessary auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered, to individuals with disabilities at the meeting/hearing upon ten days notice to the County of Bay. Individuals with disabilities requiring auxiliary aids or services should contact the County of Bay by calling or writing: Michael Gray, Executive Assistant, Office of the Bay County Executive, 515 Center Avenue, Bay City, MI 48708, (989) 895-4130 or (989) 895-4049. tdd



Bay County Building 1932

BAY COUNTY BOARD OF COMMISSIONERS

515 CENTER AVENUE, SUITE 405, BAY CITY, MICHIGAN 48708-5125
(989) 895-4120 FAX (989) 895-4226 TDD (989) 895-4049
e-mail address: bergerd@baycounty.net
www.baycounty-mi.gov

January 11, 2012

**KIM COONAN
CHAIRMAN
6TH DISTRICT**

**DONALD J. TILLEY
VICE CHAIRMAN
9TH DISTRICT**

**BRANDON KRAUSE
SERGEANT AT ARMS
2ND DISTRICT**

**MICHAEL J. DURANCZYK
1ST DISTRICT**

**VAUGHN J. BEGICK
3RD DISTRICT**

**JOE DAVIS
4TH DISTRICT**

**ERNIE KRYGIER
5TH DISTRICT**

**TOM RYDER
7TH DISTRICT**

**CHRISTOPHER RUPP
8TH DISTRICT**

**ROBERT J. REDMOND
FINANCIAL ANALYST
(989) 895-4125
redmond@baycounty.net**

**DEANNE C. BERGER
BOARD COORDINATOR
(989) 895-4121
bergerd@baycounty.net**

**Bay County Employees' Retirement Board
Crystal Hebert, Finance Director
Bay County Building
Bay City, MI 48708**

Dear Mrs. Hebert:

The following Commissioners shall serve on the Bay County Retirement Board for the year 2012:

Kim Coonan, Board Chair

Tom Ryder (designee of Ernie Krygier, Chair of Ways and Means)

Should you have any questions, please feel free to contact our office at your convenience.

Sincerely,

Deanne Berger

**Deanne Berger
Board Coordinator**

**cc: Kim Coonan
Tom Ryder
Martha Fitzhugh
Tiffany Jerry
Danean Wright**

BAY COUNTY MEDICAL CARE FACILITY

564 W. Hampton Rd.
Essexville, Michigan 48732
(989) 892-3591 * Fax (989) 891-9644
Web Site: BayCountyMCF.com

Bay County Department of Human Services Board:
Jane F. Smith, Chairman
J. Donald David, Vice Chairman
Tom Starkweather, Board Member



Ruth MacAlpine
Administrator

January 19, 2012

TO: BAY COUNTY RETIREMENT SYSTEM

Please be advised that Tom Starkweather, Bay County Department of Human Services Board Member, has been appointed to serve on the Bay County Retirement System Board for calendar year 2012.



Jane F. Smith, Chairman



Thomas L. Hickner
Bay County Executive



BAY COUNTY Health Department

Creating A Healthy Environment For The Community

Barbara MacGregor, RN, BSN
Public Health Director

Kirk H. Herrick, DO
Medical Director

1200 Washington Avenue
Bay City, Michigan 48708

(989) 895-2062
FAX (989) 895-4014
TDD (989) 895-4049
www.baycounty-mi.gov/Health

Danean Wright
Bay County Building
515 Center Avenue
Bay City, Michigan 48708
February 6, 2012

Re: Gary Macherzak

Dear Ms. Wright:

I have reviewed the medical records, treatment and injury history of Mr. Macherzak and find that he has had long standing diagnoses that have led to his present condition. He has had multiple surgeries, pain medications and physical therapy without permanent results. I agree with his physician's decision that he is totally and permanently disabled. I do not feel he can do any type of gainful employment.

Sincerely,

Kirk H. Herrick, D.O.
Medical Director

PURCHASE OF OTHER GOVERNMENTAL SERVICE TIME

EMPLOYEE NAME: Ricky Hanover

DATE OF APPROVAL
BY PERSONNEL COMMITTEE:
(BOARD OF COMMISSIONERS) 01 27 11

RESOLUTION NUMBER: 2

OTHER GOVT SERVICE TIME
BEING PURCHASED:

FROM: October 23, 1986 to August 1, 1986
TO: September 10, 1987 to May 19, 1988

CERTIFICATION OF EMPLOYMENT AND
WAGES OF OTHER GOVERNMENTAL
UNIT ON FILE: YES

DOES APPLICANT HAVE MINIMUM OF
8 YEARS SERVICE CREDIT IN BAY
COUNTY EMP. RET. SYSTEM: YES

AFFIDAVIT ON FILE DECLARING
INELIGIBILITY TO DRAW
USE THIS SERVICE TIME IN
ANOTHER CAPACITY YES

YEARS & MONTHS OF OTHER
GOVT SERVICE TIME
BEING PURCHASED: One year and six months

AMOUNT DUE RETIREMENT SYSTEM: 62,690.19

PAYMENT MUST BE COMPLETED BY: JANUARY 17, 2013 OR PRIOR TO RETIREMENT
DATE WHICHEVER IS EARLIER

2/8/2012

Ricky Hanover

**

YEAR	W-2 EARNINGS	EMPLOYEE CONTRIBUTION 4%	EMPLOYER CONTRIBUTION RATE	EMPLOYER CONTRIBUTION AMOUNT	INTEREST FACTOR	EMPLOYEE CONTRIBUTION PLUS INTEREST	EMPLOYEE TOTAL CONTRIBUTION PLUS INTEREST DUE	YEARS SERVICE CREDIT
1985	\$2,391.18	\$95.65	11.71%	\$280.01	10.1715	\$972.88	\$1,252.88	2 mths
1986	\$7,011.69	\$280.47	12.37%	\$867.35	9.2561	\$2,596.04	\$3,463.38	7 mths
1987	\$3,230.00	\$129.20	11.58%	\$374.03	8.3358	\$1,076.99	\$1,451.02	4 mths
1988	\$3,091.00	\$123.64	10.62%	\$328.26	7.7276	\$955.44	\$1,283.70	5 mths

							\$7,450.99	1YR 6 MTHS
							=====	

Please keep in mind that interest factor changes every year as of July 1st.

**

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RESOLUTION : OTHER GOVERNMENTAL SERVICE CREDIT FOR RETIREMENT

WHEREAS. Numerous County employees have served the public while employed by governmental units other than Bay County; and

WHEREAS. The County Retirement Enabling Act, MCLA 46.12a allows county boards of commissioners to credit county employees with amounts of government service resulting from employment with the United States government, except military service, employment with a state, or employment with any of their political subdivisions under various conditions; and

WHEREAS. a county board of commissioners may provide this credit upon request of a county employee and a 3/5 vote (5 of 9 Bay County Commissioners); and

WHEREAS. Corporation Counsel and the Finance Officer have researched the matter and advised the Board of Commissioners that this resolution is sufficient to carry out intentions of the Bay County Board of Commissioners to grant government service credit in accordance with relevant legal requirements; and

WHEREAS. The Board of Commissioners wishes to adopt a uniform approach to such requests as they are made currently and in the future; and

WHEREAS. It is the purpose of this Resolution to establish procedures which are streamlined to the extent that any present or future request for such retirement service credit by an employee may be approved and effectuated as consistently and expeditiously as possible; Now, Therefore, Be It

RESOLVED That until further action of the Bay County Board of Commissioners, the County of Bay hereby approves effective immediately upon passage of this resolution, requests for governmental service credit subject to satisfaction of all conditions stated under Michigan law including MCLA 46.12a, and if all conditions and requirements stated in this resolution or hereafter stipulated through amendment to it are met:

(a) The employee must make his/her request by letter addressed to the Personnel Committee of the Bay County Board of Commissioners and the Board of Commissioners which upon approval of such requests shall report such approval to the Bay County Employee's Retirement System Board of Trustees who shall further determine eligibility by evaluating whether the request complies with all requirements and conditions.

(b) An employee shall only receive government retirement service credit as described herein when payment in full for the request has been received by the Bay County Employees' Retirement System.

(c) An employee may make only one (1) request pursuant to this Resolution for all or part of his/her government service and must fully purchase that service credit as outlined above within one (1) year from the approval of said request by the Board of Commissioners; a failure to complete payment within one (1) year shall foreclose any further request by that employee and shall result in the refunding without interest to the employee of any payments made pursuant to this Resolution. If retirement occurs or membership otherwise ceases prior to payment in full, the employee shall forfeit the additional service and receive a refund without interest of any partial payments made to the Bay County Employees' Retirement System.

(d) The Bay County Employees' Retirement System Board of Trustees shall, after receipt of approved requests from the Bay County Board of Commissioners, evaluate all evidence of governmental service required by Bay County Employees' Retirement System and furnished by the employee, and make a final determination as to how much retirement service credit, if any, may be granted based on that evidence, and shall thereafter make arrangements with the employee for payments necessary to purchase the retirement service credit.

(e) No employee shall be permitted or entitled to receive retirement service credit pursuant to this Resolution on or after the first date of retirement under the Bay County Employees' Retirement System Ordinance.

(f) That this Resolution shall apply only to requests for purchase of retirement service credit for government service for employees who completed such government service prior to and not concurrent with employment with an employer included in the Bay County Employees' Retirement System.

(g) Effective statutory requirements set out in MCLA 46.12a entitled County Boards of Commissioners; insurance, pension or retirement benefits for county employees must be met, and are hereby incorporated by reference. Attachment A provides a copy of the current Section (9) which provides for the government service credit.

(h) In the prior government service for which credit is being sought, an employee must have been scheduled to work in a position that normally required 800 hours or more of work per year for at least one year (not a temporary, seasonal or "program" employee) for a single employer.

(i) Notwithstanding the fact that since May 1, 1979, some employers have paid employee contributions on behalf of some employees, the employee shall pay into the Bay County Employees' Retirement System all past employer and employee contributions and related interest on the employee contributions.

(j) The employee shall bear all responsibility and costs associated with perfecting any request to purchase other governmental service. The employee shall correspond with other governmental units, pay all copy and research fees to generate evidence deemed necessary by the

Bay County Finance Department on behalf of the Bay County Employees' Retirement System, and otherwise pay all costs of processing the request, regardless of outcome.

(k) Only current employees who are members of the Bay County Employees' Retirement System may apply to purchase governmental service credit.

Drafted by M. Fitzhugh
M. Reynolds
12/17/96
Dick L. Harmsworth

Bay County Board of Commissioners 12/17/96 Session

Resolution/Motion No. 96331 Sponsored By: _____

Moved by Comm. Gwizdala Supported by Comm. Crete

Disposition: Adopted Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____

roll call vote

9 Yeas: Reder, Powell, Rivet, Brissette,
Kaczmarek, Gwizdala, Halstead,
Crete and Byrne

0 Nays:

9) The county board of commissioners, upon the request of a county employee, by not less than a 3/5 vote may credit that county employee with the amount of government service resulting from employment with the United States government, except military service, employment with a state, or employment with any of their political subdivisions under the following conditions:

Attachment A 12/13/91

(a) Employment by the county occurred within 15 years following the county employee's separation from service of the last unit of government by which the county employee was employed.

(b) Service rendered before the last break in service of more than 15 years shall not be credited.

(c) Service that is recognized for the purpose of a deferred retirement allowance under a retirement system or other employer-funded retirement benefit plan, except for a retirement benefit plan under the social security act, chapter 531, 49 Stat. 620, of the United States government, a state, or a political subdivision of a state shall not be credited if the county employee retired under a retirement system of the United States government, a state, or any of their political subdivisions or until the county employee irrevocably forfeits the right to the deferred retirement allowance.

(d) The county employee deposits in the plan established under this section an amount equal to the aggregate amount of contributions the county employee would have made had the service been acquired in the employ of the county, plus interest from the dates the contributions would have been made to the date of deposit, at rates determined by the county board of commissioners. If records are insufficient or unavailable to compute the exact amount of required deposit, the county board of commissioners may estimate the amount.

*12700 (e) The county employee has 8 or more years of credited service in county employment, has legal vesting in the county plan, and deposits in the county employees retirement system an amount equal to the aggregate amount of contributions the employer would have made had the government service being credited under this section been acquired in the employ of the county.

Redetermination of pensions

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