

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

AGENDA

TUESDAY, OCTOBER 9, 2012

(Immediately Following the Retirement Board of Trustees' Meeting @ Approximately 2:30 P.M.)

COMMISSIONERS CHAMBERS

515 CENTER AVENUE - 4TH FLOOR

BAY CITY, MI 48708

PAGE	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 2	1.	SEPTEMBER 18, 2012 REGULAR MEETING
	IV.	PUBLIC INPUT
3 - 4	A.	PORTFOLIO VALUE 1/1/12 - 10/3/12
	B.	BECKER, BURKE ASSOCIATES, CHICAGO, ILLINOIS
5	1.	RENEWAL OF CONTRACT FOR CONSULTING SERVICES OF RICHARD POTTER IN THE AMOUNT OF \$14,500 FOR THE YEAR 2013. (FEE FOR 2012 WAS \$14,500)
	V.	ANNOUNCEMENTS
	A.	NEXT REGULAR MEETING - TUESDAY, NOVEMBER 13, 2012 IMMEDIATELY FOLLOWING THE RETIREMENT BOARD OF TRUSTEES MEETING @ APPROXIMATELY 2:30 P.M. COMMISSIONERS CHAMBERS, 515 CENTER AVENUE - 4TH FLOOR, BAY CITY, MI 48708
	VI.	UNFINISHED BUSINESS
	VII.	NEW BUSINESS
	VIII.	MISCELLANEOUS BUSINESS
	IX.	ADJOURNMENT

MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION
September 18, 2012
PAGE 1

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 2:25 P.M. Roll call was taken. All trustees are present except Mr. Brzezinski and Mr. Pett.

1. Moved, supported and carried to excuse Trustees Brzezinski and Pett.
2. Moved and supported and carried to approve the minutes, as printed, from August 14, 2012, regular meeting.
3. Moved, supported and carried to receive Portfolio Value from January 1, 2012 to September 12, 2012. The value today is \$31 million.

ANNOUNCEMENTS:

- A. Next regularly scheduled meeting will be Tuesday, October 9, 2012 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in COMMISSIONER'S CHAMBERS, 515 CENTER AVENUE, 4TH FLOOR, BAY CITY, MI 48708.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

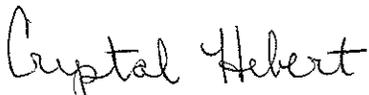
MISCELLANEOUS BUSINESS:

Chairman Gray asked Mr. Potter for an update regarding a possible replacement for Denver Investments (BCERS). Mr. Potter advised they are researching the mid-cap growth area for potential replacements for Denver. They started with about 130 names, and have whittled it down to about 10 possibilities. They are in the process of researching those 10 firms. He hopes to have more information and possible recommendations for the October meeting.

ADJOURNMENT:

4. Moved, supported and carried to adjourn the meeting at 2:29 p.m.

Respectfully submitted,



Crystal Hebert
Finance Officer/Secretary

MEETING OF THE V.E.B.A. BOARD OF TRUSTEES COMMITTEE
September 18, 2012

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 2:25 P.M.

OTHER PRESENT: RICK POTTER, DANEAN WRIGHT, CRYSTAL HEBERT

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

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

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

◆ Mgr Mix VEBA

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-VEBA CASH 2611831	0.00 0.00%	262,359.74 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	262,359.74 0.86%
BAYCO - VEBA DODGE & COX BAL 2613001	0.00 0.00%	0.07 0.00%	5,346,708.93 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	5,346,709.00 17.26%
BAYCO-VEBA CS MCKEE 2643882	0.00 0.00%	480,439.20 3.46%	0.00 0.00%	13,682,924.13 96.56%	0.00 0.00%	-3,362.91 -0.02%	14,170,000.42 45.72%
BAYCO VEBA LORD ABBOTT FD 2643890	0.00 0.00%	0.00 0.00%	5,865,063.73 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	5,865,063.73 18.93%
BAYCO - VEBA ATALANTA SOSNOFF 2646670	0.00 0.00%	205,699.45 3.85%	5,122,307.12 95.86%	0.00 0.00%	0.00 0.00%	15,523.74 0.29%	5,343,520.31 17.24%
Total for consolidation	0.00	958,488.46	15,336,079.78	13,682,924.13	0.00	12,160.83	30,989,653.20
% for consolidation	0.00%	3.09%	62.71%	44.15%	0.00%	0.04%	100.00%

3

VEBA PORTFOLIO VALUE

	<u>DODGE & COX</u>	<u>CASH</u>	<u>ATALANTA SOSNOFF</u>	<u>LORD ABBETT</u>	<u>CS MCKEE</u>	<u>TOTAL</u>
2011						
JAN	15,922,942.49	300,739.41	11,793,776.01	0.00	0.00	28,017,457.91
FEB	16,667,670.02	581,913.36	11,986,233.04	0.00	0.00	29,235,816.42
MARCH	17,123,304.53	121,095.35	12,011,362.73	0.00	0.00	29,255,762.61
APRIL	17,675,739.11	98,063.83	12,154,202.79	0.00	0.00	29,928,005.73
MAY	17,726,476.07	212,246.98	12,036,752.17	0.00	0.00	29,975,475.22
JUNE	17,547,728.26	1,485.83	11,875,396.11	0.00	0.00	29,424,610.20
JULY	17,060,888.70	70,134.43	11,801,134.06	0.00	0.00	28,932,157.19
AUG	16,187,340.87	43,385.81	11,169,054.28	0.00	0.00	27,399,780.96
SEPT	15,063,812.72	61,454.03	10,496,973.57	0.00	0.00	25,622,240.32
OCT	16,399,592.83	89,000.37	11,196,449.88	0.00	0.00	27,685,043.08
NOV	16,237,039.28	40,026.86	11,097,347.05	0.00	0.00	27,374,413.19
DEC	16,409,981.39	65,446.74	11,130,235.36	0.00	0.00	27,605,663.49

	<u>DODGE & COX</u>	<u>CASH</u>	<u>ATALANTA SOSNOFF</u>	<u>LORD ABBETT</u>	<u>CS MCKEE</u>	<u>TOTAL</u>
2012						
JAN	4,744,381.74	23,341.91	4,774,929.28	5,782,203.49	13,556,991.23	28,881,847.65
FEB	4,957,686.81	141,703.43	5,003,798.19	5,958,731.82	13,575,896.75	29,637,817.00
MARCH	5,085,201.22	156,067.52	5,169,110.21	6,012,771.11	13,509,994.85	29,933,144.91
APRIL	5,991,155.39	186,068.57	5,127,801.08	5,023,538.22	13,645,204.77	29,973,768.03
MAY	4,670,417.74	207,434.25	4,752,087.80	5,468,775.64	13,750,484.96	28,849,200.39
JUNE	4,944,848.31	218,278.51	4,926,255.06	5,620,085.64	13,816,486.70	29,525,954.22
JULY	5,023,826.66	237,546.65	4,973,210.73	5,558,841.11	13,958,821.07	29,752,246.22
AUG	5,169,289.62	240,122.51	5,109,739.12	5,738,972.06	13,987,861.42	30,245,984.73
SEPT	5,324,980.74	262,359.53	5,263,322.60	5,850,653.25	14,149,694.74	30,851,010.86
OCT				0.00		
NOV				0.00		
DEC				0.00		



225 West Wacker Drive, Suite 400
Chicago, Illinois 60606

October 3, 2012

Danean Wright
Bay County Employees Retirement System
515 Center Avenue
Bay City, MI 48708

Dear Danean:

The purpose of this letter is to confirm Becker, Burke's fee for 2013 for the VEBA. For 2013 the annual performance evaluation fee remains the same as previous, \$14,500 annually, billed quarterly in advance.

The Bay County VEBA fee was last modified in 2009. It covers all data analysis, report preparation, presentations, and meetings. This assumes that the performance reviews will be presented at the regularly scheduled pension meetings. If additional managers are hired, the annual performance evaluation fee will increase by \$3,500 per manager.

We value highly our relationship with the Bay County VEBA and look forward to a continuing fine relationship. If there are questions or other ways, we can be of assistance, please let us know.

Cordially,

A handwritten signature in cursive script that reads 'Rick'.

Richard L. Potter
Principal