

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, NOVEMBER 10, 2015 @ 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 - 12	A.	OCTOBER 13, 2015 REGULAR MEETING
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
	A.	PRESENTATION OF LINE ITEM COSTS FOR ADMINISTRATIVE LEGAL, INDIRECT COSTS, OUTSIDE LEGAL, ADMINISTRATIVE DUTIES
	B.	THE BOGDAHN GROUP - 2015 THIRD QTR REPORT
	1.	HOWARD POHL & PETER BROWN
13 - 15	C.	MONTHLY REPORTS - RES NO. 2015-53
	1.	PORTFOLIO VALUE - 1/1/15 - 9/30/15
	2.	CHANGE IN BOOK AND MARKET VALUE - 9/30/15
	3.	MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
	a.	NONE
16 - 99	4.	MONEY MANAGER REPORTS
	a.	BAIRD - ENDING 9/30/15
	b.	CORNERSTONE - ENDING 9/30/15
	c.	EAGLE ASSET MGMT -ENDING 9/30/15
	d.	HENDERSON GENEVA - ENDING 9/30/15 & PROXY VOTING QTRLY REPORT 9/30/15
	e.	HOTCHKIS & WILEY - ENDING 9/30/15 & PROXY VOTING QTRLY REPORT 9/30/15
	f.	INTEGRITY - ENDING 9/30/15
	g.	LOOMIS SAYLES - ENDING 9/30/15
	h.	MFS INVESTMENT - ENDING 9/30/15 & PROXY VOTING QTRLY REPORT 9/30/15
	i.	MFS HERITAGE TRUST - ENDING 9/30/15
	j.	MACKAY SHIELDS - ENDING 9/30/15
	k.	PRISA - ENDING 9/30/15
	5.	RECAPTURE SERVICES

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BAY CITY, MI 48708

- 100 - 102
 - a. ABEL/NOSER - SUMMARY ENDING 9/30/15
 - b. CAPIS - SUMMARY ENDING 9/30/15
- 6. NORTHERN TRUST
- 103 - 108
 - a. SUMMARY EARNINGS - ENDING 9/30/15
- 109
 - 7. REFUNDS/RETIREMENTS ENDING 10/31/15
- 110 - 115
 - 8. BCERS YTD BUDGET REPORT - ENDING 10/31/15
- 116
 - 9. INVOICES APPROVED - 10/31/15
- D. CORPORATION COUNSEL
- 117 - 131
 - 1. DISABILITY RETIREMENT POLICY
RES NO. 2015-35
- E. OUTSIDE LEGAL COUNSEL - RES NO. 2015-52
- F. PRESENTATION OF LINE ITEM COSTS FOR
ADMINISTRATIVE LEGAL, INDIRECT COSTS, OUTSIDE
LEGAL, ADMINISTRATIVE DUTIES
- 132
 - G. PURCHASE OF PREVIOUS SERVICE TIME -
RES. NO. 2015-51
 - 1. EDWARD KLOPF - DWS
- 133 - 135
 - H. SPEAKER SCHEDULE 2016 RES NO. 2015-54
- 136 - 137
 - I. NON-DUTY DISABILITY RES NO. 2015-55
 - 1. TODD MAXSON - ROC (CLOSED SESSION)
- 138
 - 1. TODD MAXSON - ROC (CLOSED SESSION)

**Motion: To go into closed session
pursuant to MCLA 15.268, Sec. 8 (h) to
consider material exempt from
discussion or disclosure by state or
federal statute.**

VI. ANNOUNCEMENTS

- A. NEXT REGULAR MEETING - DECEMBER 8, 2015 AT 1:30
P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE
4TH FLOOR, BAY CITY, MI 48708

VII. UNFINISHED BUSINESS

VIII. NEW BUSINESS

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
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BAY CITY, MI 48708

- X. MISCELLANEOUS BUSINESS
- XI. ADJOURNMENT

ACTION TAKEN BY BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BOARD

DATE OF BOARD MEETING: 11/10/15

PAGE: 1

MOTION/ INTRODUCED/

RES. NO. SUBMITTED BY SUBJECT OF RESOLUTION/MOTION

ADOPTED AMENDED CORRECTED DEFEATED REFERRED TABLED WITHDRAWN

Res No.									
2015-53	Board	RECEIVE MONTHLY REPORTS	X						
2015-35	Corp Counsel	NON-DUTY DISABILITY RETIREMENT POLICY	X						
2015-52	Board	That the Bay County Employees' Retirement System Board hereby authorizes the Board Chair to act on its behalf and utilize the services of outside legal counsel as he or she determines necessary without requiring further formal action by the Board. This authority is granted only for the purpose of utilizing outside legal counsel that the Board has formally retained pursuant to written contract. Outside counsel's planned appearances at open meetings and topics on which he or she will present will be placed on the written Board Agenda whenever possible. This authority granted to the Chair will remain in full force and effect until formally revoked by the Board.	X						
2015-51	Retirement Administrator	That this Board approve the request of Edward Klopf to purchase nine (9) years and zero (0) months of previous service time from Jan1, 1985 to Dec 31, 1992 for retirement purposes.	X						
2015-54	Board	Approval of 2016 Speaker Schedule	X						
2015-55	Retirement Administrator	That this Board approve the non-duty disability application for Todd Maxson.	X						
Motions									
90	Starkweather	Approve minutes from Oct 13, 2015	X						
91	Brzezinski	Approve motion to put another \$4.4 million into the PRISA queue	X						

**BAY COUNTY RETIREMENT BOARD
11/10/2015
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

RESOLVED By the Bay County Retirement Board that the following reports are received:

1. PORTFOLIO VALUE - 1/1/15 -10/31/15
2. CHANGE IN BOOK AND MARKET VALUE -9/30/15
3. MONEY MANAGERS ON WATCH - NONE
4. MONEY MANAGER REPORTS
 - a. BAIRD - ENDING 9/30/15
 - b. CORNERSTONE - ENDING 9/30/15
 - c. EAGLE ASSET MGMT - ENDING 9/30/15
 - d. HENDERSON GENEVA - ENDING 9/30/15& QTRLY PROXY VOTING 9/30/15
 - e. HOTCHKIS & WILEY - ENDING 9/30/15 & QTRLY PROXY VOTING 9/30/15
 - f. INTEGRITY - ENDING 9/30/15
 - g. LOOMIS SAYLES - ENDING 9/30/15
 - h. MFS INVESTMENT - ENDING 9/30/15& QTRLY PROXY VOTING 9/30/15
 - i. MFS HERITAGE TRUST - ENDING 9/30/15
 - j. MACKAY SHIELDS - ENDING 9/30/15/15
 - k. PRISA(PRUDENTIAL) - ENDING 9/30/15
5. RECAPTURE SERVICES
 - a. ABEL/NOSER - SUMMARY ENDING 9/30 /15
 - b. CAPIS - SUMMARY ENDING 9/30 /15
6. NORTHERN TRUST SUMMARY EARNINGS -9/30/15
7. REFUNDS/RETIREMENTS -ENDING 10/31/15
8. BCERS YTD BUDGET REPORT - ENDING 10/31/15
9. APPROVED EXPENSES -10/31/15

STEVE GRAY, CHAIR
AND BOARD

MONTHLY REPORTS NOVEMBER

MOVED BY TRUSTEE HEREK

SUPPORTED BY TRUSTEE GOETZ

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Bizezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____

Voice: Yeas 9 Nays 0 Excused 0

Disposition: Adopted X Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____

**BAY COUNTY RETIREMENT BOARD
11/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (11/10/15)

WHEREAS the Bay County Retirement System Board of Trustees wishes to adopt a uniform process to receive, consider and provide well supported and thoughtfully considered decisions on Members' request for disability retirement benefits; and

WHEREAS the Bay County Retirement System Board of Trustees has a fiduciary obligation to consider all information relevant to a Member's request for a disability retirement benefit and the Members are entitled to a consistent process that affords them all due process allowed under the law; therefore, be it

RESOLVED that the Bay County Retirement Board of Trustees approves and adopts the Bay County Employee Retirement System Disability Retirement Procedure and forms presented to the Board on this date with any changes formally approved by Motion during the open session of the Board; and be it further

RESOLVED that a copy of the Bay County Employee Retirement System Disability Retirement Procedure shall be provided to each County Employer within seven (7) days of its formal passage and that said Policy shall take immediate effect.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION NON-DUTY DISABILITY RETIREMENT

MOVED BY TRUSTEE BRZEZINSKI

SUPPORTED BY TRUSTEE MORSE

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas 9 Nays 0 Excused 0

Voice: Yeas _____ Nays _____ Excused _____

Disposition: Adopted X Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____

**BAY COUNTY RETIREMENT BOARD
11/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (11/10/15)

WHEREAS, The County Corporation Counsel serves as legal advisor to the Retirement Board of Trustees per Section 4.012 of the Retirement Ordinance, and

WHEREAS, The Board relies on MCL 38.1133(5) to enter into contracts for investment and all other goods and services necessary for the conduct of the affairs of the system, including investment advisors, consultants, custodians, accountants, auditors, attorneys, actuaries, investment personnel, administrators, and physicians; and may enter into contracts for and pay reasonable compensation for those services; and

WHEREAS, A formal policy or procedure is needed for the Board to effectively communicate with and utilize the services of outside legal counsel retained to address specialty issues involving and pertaining to the retirement system. Therefore, Be It;

RESOLVED That the Bay County Employees' Retirement System Board hereby authorizes the Board Chair to act on its behalf and utilize the services of outside legal counsel as they determine necessary without requiring further formal action by the Board. This authority is granted only for the purpose of utilizing outside legal counsel that the Board has formally retained pursuant to written contract. Outside counsel's planned appearances at open meetings and topics on which they will present will be placed on the written Board Agenda whenever possible. This authority granted to the Chair will remain in full force and effect until formally revoked by the Board.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION - AUTHORIZATION OF OUTSIDE LEGAL COUNSEL 2015-52

MOVED BY TRUSTEE HEREK

SUPPORTED BY TRUSTEE BRZEZINSKI

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse		X	
Kim Coonan		X		Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals: Roll Call: Yeas 7 Nays 2 Excused 0
Voice: Yeas _____ Nays _____ Excused _____

Disposition: Adopted _____ Defeated _____ Withdrawn _____
Amended X Corrected _____ Referred _____

**BAY COUNTY RETIREMENT BOARD
11/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (11/10/15)
 WHEREAS, Section 4.031 of the Retirement Ordinance allows for the reinstatement of forfeited credited service for current members who have received a refund of his/her accumulated member contributions for previous employment in a BCERS eligible position;
 WHEREAS, A written request for reinstatement was made by Edward Klopf of the Department of Water & Sewer to purchase nine (9) years and zero (0) months of previous service time; and
 WHEREAS, All of the required conditions to apply for reinstatement, per the ordinance, have been met by Mr. Klopf. Therefore Be It;
 RESOLVED That this Board approve the request of Edward Klopf to purchase nine (9) years and zero (0) months of previous service time from January 1, 1985 to December 31, 1992 for retirement purposes.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION

MOVED BY TRUSTEE PETT

SUPPORTED BY TRUSTEE MORSE

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas Nays Excused
 Voice: Yeas 9 Nays 0 Excused 0

Disposition: Adopted X Defeated Withdrawn
 Amended Corrected Referred

**BAY COUNTY RETIREMENT BOARD
11/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (11/10/15)

WHEREAS, It is stated in the Bay County Employees' Retirement System's Due Diligence Policy that Investment managers are to appear before the Board for performance evaluation on a rotational basis at least every 24 months.

WHEREAS, The Board schedules investment managers to speak at their monthly meetings;
Therefore Be It,

RESOLVED That this Board approve the speaker schedule for 2016.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION SPEAKER SCHEDULE 2016

MOVED BY TRUSTEE GROMASKI

SUPPORTED BY TRUSTEE GOETZ

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____
Voice: Yeas 9 Nays 0 Excused 0

Disposition: Adopted _____ Defeated _____ Withdrawn _____
Amended _____ Corrected _____ Referred _____

**BAY COUNTY RETIREMENT BOARD
11/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (11/10/15)

WHEREAS, An application for a non-duty disability was received from Mr. Todd Maxson.

WHEREAS, All required documents have been filed with the Retirement Office.

WHEREAS, Bay County Medical Director, Dr. Kirk Herrick, D.O. has reviewed all medical records and other pertinent information regarding this application.

WHEREAS, It is Dr. Herrick's professional opinion that Mr. Maxson is no longer able to perform the duties of his occupation.

RESOLVED That this Board approve this non-duty disability application.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION NON-DUTY DISABILITY MAXSON

MOVED BY TRUSTEE _____ PETT _____

SUPPORTED BY TRUSTEE _____ MORSE _____

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas 9 Nays 0 Excused 0

Voice: Yeas _____ Nays _____ Excused _____

Disposition: Adopted X Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: 11/10/15

MOTION MOVED BY: STARKWEATHER

MOTION SUPPORTED BY: HEREK

MOTION NO.: 90

MOTION 90: Moved, supported and carried to approve the minutes, as printed, from the October 13, 2015 regular meeting.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____
 Voice: Yeas 9 Nays 0 Excused 0

Disposition: Adopted X Defeated _____ Withdrawn _____
 Amended _____ Corrected _____ Referred _____

**BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES**

MEETING DATE: 11/10/2015

MOTION MOVED BY: BRZEZINSKI

MOTION SUPPORTED BY: STARKWEATHER

MOTION NO.: 91

MOTION 91: Trustee Brzezinski moved to make a motion to put another \$4.4 million into the PRISA queue. Trustee Starkweather supported.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas 9 Nays 0 Excused 0

Voice: Yeas Nays Excused

Disposition: Adopted X Defeated Withdrawn

Amended Corrected Referred

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: 11/10/15

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: MORSE

MOTION NO.: 92

MOTION 92: Moved, supported and carried to receive the Bogdahn presentation.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	x			Steve Gray	x			Jon Morse	x		
Kim Coonan	x			Richard Gromaski	x			Matthew Pett	x		
Kristal Goetz	x			Thomas Herek	x			Thomas Starkweather	x		

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____
 Voice: Yeas 9 Nays 0 Excused 0

Disposition: Adopted x Defeated _____ Withdrawn _____
 Amended _____ Corrected _____ Referred _____

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: 11/10/15

MOTION MOVED BY: STARKWEATHER

MOTION SUPPORTED BY: BRZEZINSKI

MOTION NO.: 93

MOTION 93: Trustee Starkweather moved to amend Resolution No 2015-52 to change the language of he/she to they. Supported by Brzezinski and carried by a vote of 8 yays and 1 nay.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan		X		Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas 8 Nays 1 Excused 0

Voice: Yeas Nays Excused

Disposition: Adopted X Defeated Withdrawn

Amended Corrected Referred

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: 11/10/15

MOTION MOVED BY: _PETT_

MOTION SUPPORTED BY: _MORSE_

MOTION NO.: 94

MOTION 94: Moved, supported and carried To go into closed session pursuant to MCLA 15.268, Sec. 8 (h) to consider material exempt from discussion or disclosure by state or federal statute.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas 9 Nays 0 Excused 0

Voice: Yeas Nays Excused

Disposition: Adopted X Defeated Withdrawn

 Amended Corrected Referred

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: 11-10-15

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: MORSE

MOTION NO.: 95

MOTION 95: Moved, supported and carried to adjourn the meeting at 3:23 p.m.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Steve Gray	X			Jon Morse	X		
Kim Coonan	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Goetz	X			Thomas Herek	X			Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas Nays Excused
 Voice: Yeas 9 Nays 0 Excused 0

Disposition: Adopted X Defeated Withdrawn
 Amended Corrected Referred