

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, AUGUST 11, 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 - 8	A.	JULY 14, 2015
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
	A.	THE BOGDAHN GROUP 2 ND QUARTER REPORT
	1.	HOWARD POHL AND PETER BROWN
9 - 11	B.	MONTHLY REPORTS - RES. NO 2015-31
	1.	PORTFOLIO VALUE - 1/1/15 - 7/31/15
	2.	CHANGE IN BOOK AND MARKET VALUE - 6/30/15
	3.	MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
	a.	NONE
12 - 67	4.	MONEY MANAGER REPORTS
	a.	BAIRD - ENDING 6/30/15
	b.	CORNERSTONE - ENDING 6/30/15; SECOND QTR REPORT 6-30-15
	c.	EAGLE ASSET MGMT - ENDING 6/30/15
	d.	GENEVA - ENDING 6/30/15 GENEVA PROXY VOTING QTRLY REPORT 6/30/15
	e.	HOTCHKIS & WILEY - ENDING 6/30/15
	f.	INTEGRITY - ENDING 6/30/15
	g.	LOOMIS SAYLES - ENDING 6/30/15
	h.	MACKAY SHIELDS - ENDING 6/30/15
	i.	MFS HERITAGE TRUST - ENDING 6/30/15
	j.	MFS INVESTMENT - ENDING 6/30/15; MFS PROXY VOTING QTRLY REPORT 6/30/15 AVAILABLE UPON REQUEST
	5.	RECAPTURE SERVICES
68 - 69	a.	ABEL/NOSER - SUMMARY ENDING 6/30/15
	b.	CAPIS - SUMMARY ENDING 6/30/15
	6.	NORTHERN TRUST
70 - 75	a.	SUMMARY EARNINGS - ENDING 6/30/15

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TUESDAY, AUGUST 11, 2015 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
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BAY CITY, MI 48708

- | | | |
|-----------------|-----|---|
| 76 | 7. | REFUNDS/RETIREMENTS ENDING 7/31/15 |
| 77 - 82 | 8. | BCERS YTD BUDGET REPORT - ENDING 7/31/15 |
| 83 | 9. | APPROVED EXPENSES - 7/31/15 |
| | C. | CORPORATION COUNSEL - DISABILITY RETIREMENT POLICY |
| 84 - 91 | D. | BUDGET PROPOSAL 2016 |
| 92 - 118 | E. | PURCHASE OTHER GOVERNMENTAL SERVICE TIME
(RES. NO 2015- 33) |
| | 1. | CHRISTOPHER AMBROSE |
| | 2. | DONALD DEOPSOMER |
| | 3. | ROBERT FISHER |
| | 4. | MICHAEL GRZEGORCZYK |
| | 5. | CRYSTAL HEBERT |
| | 6. | THOMAS HICKNER |
| | 7. | ROBERT KLINE |
| | 8. | MARGARET LEAMING |
| | 9. | CHRISTOPHER PINTER |
| | 10. | JANIS PINTER |
| | 11. | RENEE WELLS |
| 119 - 121 | F. | APPROVAL OF NEW MFS AND COLUMBIA FEE SCHEDULES (RES NO. 2015- 32) |
| 122 | G. | CORRESPONDENCE MFS - ADDITION TO MANAGEMENT TEAM |

VI. ANNOUNCEMENTS

- A. NEXT REGULAR MEETING - SEPTEMBER 8, 2015 AT 1:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4TH FLOOR, BAY CITY, MI 48708
- B. **REMINDER FALL MAPERS CONFERENCE - SEPTEMBER 27 - SEPTEMBER 29, 2015**

VII. UNFINISHED BUSINESS

VIII. NEW BUSINESS

IX. MISCELLANEOUS BUSINESS

X. ADJOURNMENT

ACTION TAKEN BY BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BOARD

DATE OF BOARD MEETING: 8/11/2015

PAGE: 1

MOTION/ INTRODUCED/

RES. NO. SUBMITTED BY SUBJECT OF RESOLUTION/MOTION

ADOPTED AMENDED CORRECTED DEFEATED REFERRED TABLED WITHDRAWN

Res No.									
2015-31	BCERS BOARD	RECEIVE MONTHLY REPORTS	XX						
2015-32	BCERS BOARD	That the Bay County Employees' Retirement System Board approve the new lower fees for MFS and Columbia effective July 1, 2015; authorize the Chair to execute the agreements and all related documents on behalf of the BCERS Board following legal review/approval.	XX						
2015-33	Retirement Administrator	That the Board approve requests and applications for the purchase of Other Governmental Service Credit for retirement purposes. (Various applicants)	XX						
Motions									
58	PETT	EXCUSE TRUSTEES BRZEZINSKI AND COONAN. *Trustee Coonan arrived at 1:35 p.m.	XX						
59	PETT	APPROVE MINUTES FROM 7-14-15 MEETING	XX						
60	HEREK	RECEIVE SECOND QTR REPORT FROM BOGDHAN	XX						
61	HEREK	MOTION APPROVED TO HOLD SPECIAL MEETING 8/25/15 AT 1 P.M. FOR DISABILITY RETIREMENT POLICY	XX						
62	STARKWEATHER	MOTION TO AMEND 2016 BUDGET AND ADD \$10,000 AS A LINE ITEM FOR SURVEY AND RESEARCH OF FORESTRY LAND FOR INVESTMENT					XX		

**BAY COUNTY RETIREMENT BOARD
8/11/2015
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 - 7/31/15
2. CHANGE IN BOOK AND MARKET VALUE - 6/30/15
3. MONEY MANAGERS ON WATCH - NONE
4. MONEY MANAGER REPORTS
 - a. BAIRD - ENDING 6/30/15
 - b. CORNERSTONE - ENDING 6/30/15; SECOND QTR REPORT 6/30/15
 - c. EAGLE ASSET MGMT - ENDING 6/30 /15
 - d. GENEVA - ENDING 6/30/15; GENEVA PROXY VOTING QTRLY REPORT 6/30/15
 - e. HOTCHKIS & WILEY - ENDING 6/30/15
 - f. INTEGRITY - ENDING /15
 - g. LOOMIS SAYLES - ENDING 6/30/15
 - h. MACKAY SHIELDS ENDING 6/30/15
 - i. MFS HERITAGE TRUST - ENDING 6/30/15
 - j. MFS INVESTMENT - ENDING 6/30/15; MFS PROXY VOTING QTRLY REPORT 6/30/15 AVAILABLE UPON REQUEST
5. RECAPTURE SERVICES
 - a. ABEL/NOSE - SUMMARY ENDING 6/30/15
 - b. CAPIS - SUMMARY ENDING 6/30/15
6. NORTHERN TRUST SUMMARY EARNINGS -6/30/15
7. REFUNDS/RETIREMENTS -ENDING 7/31/15
8. BCERS YTD BUDGET REPORT - ENDING 7/31/15
9. APPROVED EXPENSES -7/31/15

STEVE GRAY, CHAIR
AND BOARD

MONTHLY REPORTS AUGUST

MOVED BY TRUSTEE HEREK
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 8 Nays 0 Excused 1
 Disposition: Adopted XX Defeated _____ Withdrawn _____
 Amended _____ Corrected _____ Referred _____

**BAY COUNTY RETIREMENT BOARD
8/11/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (8/11/15)
 WHEREAS, The Bogdahn Group was asked by the Board at the June 9, 2015 meeting to review current fee schedules and negotiate lower fees with the investment managers for the Bay County Employees' Retirement System (BCERS)
 WHEREAS, At the July 14, 2015 meeting, lower fees were approved for Baird, Eagle, Henderson, and Mackay Shields
 WHEREAS, The following lower fees have now been negotiated with MFS and Columbia:

<u>Manager</u>	<u>Standard Fee</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
MFS	60 bp 1 st \$50M	Same	57 bp
\$32.8M LCG	50 bp Next \$50M		50 bp
	45 bp >\$100M		45 bp
MFS	75 bp 1 st \$50M	Same	72 bp 1 st \$25M
\$25.4M Intl Grth	60 bp Next \$50M		70 bp next \$25M
	50 bp >\$100M		60 bp Next \$50M
	+5 bp Adm Fee		50 bp >\$100M
			+5bp Adm Fee

Columbia ** Lowering fees by 5% (negotiated 7/29/15)

RESOLVED That the Bay County Employees' Retirement System Board approve the new lower fees for MFS and Columbia effective July 1, 2015, Be It Further
 RESOLVED That the Chairman of the Board is authorized to execute the agreements and all related documents on behalf of the Bay County Employees' Retirement System Board following legal review/approval.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION REVISED INVESTMENT MANAGER FEES MFS

MOVED BY TRUSTEE Gromaski

SUPPORTED BY TRUSTEE Herek

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 8 Nays 0 Excused 1
 Disposition: Adopted xx Defeated Withdrawn
 Amended Corrected Referred

**BAY COUNTY RETIREMENT BOARD
8/11/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (8/11/15)
 WHEREAS, Per the Retirement Ordinance and Bay County Board of Commissioners resolution no. 96-331- Other Governmental Service Credit for Retirement, members of BCERS may purchase time worked with other governmental units;
 WHEREAS, On May 12, 2015, the Bay County Board of Commissioners passed resolution no. 2015-110 rescinding resolution no. 96-331 allowing for the purchase of other governmental service credit
 WHEREAS, The Bay County Board of Commissioners made resolution no. 2015-110 effective as of 5:00 p.m., June 12, 2015 allowing current eligible employees 30 days to submit their applications to the Retirement Office
 WHEREAS, Applications of the following were submitted by the 5:00 p.m., June 12, 2015 deadline:

Last	First	Entity	Other Governmental Unit	Time: From	To	Request Amount
Ambrose	Christopher	Road	Midland County	11/14/1994	- 9/7/1995	11 months
Deopsomer	J. Donald	DWS	Montana State	3/21/1995	- 10/2/1998	3 years 6 months
Fisher	Robert	Sheriff	Arenac County	5/5/1994	- 9/19/1995	1 year 5 months
Grzegorzczk	Michael	Gen Co	Beaver Township	11/9/1992	- 11/10/1996	3 years 11months
			Bay Metro Transit	7/21/1980	- 9/7/1981	1 year 1 month
Hebert	Crystal	Gen Co	City of Bay City	4/24/1978	- 6/25/1980	2 years 2 months
			City of Pinconning	1/1/2003	- 11/24/2006	3 years 11 months
Hickner	Thomas	Gen Co	State of Michigan	1/2/1979	- 12/31/1982	4 years 0 months
Kline	Robert	Gen Co	Saginaw Bay Mosquito Control	1/1/1984	- 12/31/1984	1 year
Leaming	Margaret	Gen Co	US District Courts	8/16/1993	- 8/18/1995	2 years 1 month
Pinter	Christopher	BABH	Saginaw County Comm Mental Health	1/1/1992	- 12/31/2001	7 years 0 months
Pinter	Janis	BABH	Saginaw County Comm Mental Health	1/1/1993	- 12/31/2001	9 years 0 months
Wells	Renee	BABH	Ausable Community Mental Health	10/18/1993	- 12/15/1995	2 years 2 months

WHEREAS, Said applications were approved at the July 21, 2015 meeting of the Personnel Committee, motion number 2015-110;
 WHEREAS, All application materials have been received and calculations of cost have been processed by the Retirement Office. Therefore, be it
 RESOLVED That this Board approve the above requests and applications for the purchase of Other Governmental Service Credit for retirement purposes.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION PURCHASE OTHER GOVERNMENTAL SERVICE CREDIT (MULTIPLE)

MOVED BY TRUSTEE PETT

SUPPORTED BY TRUSTEE GROMASKI

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 8 Nays 0 Excused 1
 Disposition: Adopted XX Defeated _____ Withdrawn _____
 Amended _____ Corrected _____ Referred _____

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: August 11, 2015

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: STARKWEATHER

MOTION NO.: 58

MOTION 58: Moved, supported and carried to excuse Trustee Brzezinski and Trustee Coonan.

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 8 Nays 0 Excused 1

Disposition: Adopted XX Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: MORSE

MOTION NO.: 59

MOTION 59: Moved, supported and carried to approve the minutes, as printed, from the July 14, 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 8 Nays 0 Excused 1

Disposition: Adopted XX Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: PETT

MOTION NO.: 60

MOTION 60: Moved, supported and carried to receive the second quarter report from The Bogdahn Group.

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 8 Nays 0 Excused 1

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

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: MORSE

MOTION NO.: 61

MOTION 61: Moved, supported and carried to hold a special meeting on August 25, 2015 at 1:00 p.m. to discuss the Disability Retirement Policy.

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 8 Nays 0 Excused 1

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

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: STARKWEATHER

MOTION SUPPORTED BY: HEREK

MOTION NO.: 62

MOTION 62: Motion to amend the 2016 budget that \$10,000 be added as a line item for survey and research of forestry land for investment. (Failed on Roll Call Vote)

Roll Call Vote

Coonan - No
Goetz - No
Gray - No
Gromaski -Yes
Herek - No
Morse - No
Pett - No
Starkweather - Yes.

The motion fails.

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 2 Nays 6 Excused 1

Voice: Yeas Nays Excused

Disposition: Adopted Defeated XX Withdrawn

Amended Corrected Referred

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: COONAN

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 63

MOTION 63: Moved, supported and carried to approve the budget proposal for 2016 as presented.

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 8 Nays 0 Excused 1

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

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: MORSE

MOTION NO.: 64

MOTION 64: Moved, supported and carried to receive the correspondence from MFS regarding the addition to the management team.

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 8 Nays 0 Excused 1

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

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

MEETING DATE: AUGUST 11, 2015

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 65

MOTION 65: Moved, supported and carried to adjourn the meeting at 2:28 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 8 Nays 0 Excused 1

Disposition: Adopted XX Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____