BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, JANUARY 14, 2014 @ 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 - 10	A.	DECEMBER 10, 2013 - REGULAR MEETING
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
	A.	**CLAY LINDSEY - EAGLE ASSET MANAGEMENT (SMALL CAP GROWTH)**
11 - 13	B.	PORTFOLIO VALUE - 1/1/13 - 12/31/13
	C.	MONEY MANAGERS ON WATCH - **(EFFECTIVE DATE)**
	1.	BARINGS - **(6/6/13)** NO REPORT
	D.	MONEY MANAGER REPORTS
	1.	CORNERSTONE - ENDING 11/30/13
	2.	GENEVA CAPITAL - ENDING 11/30/13 AND 12/31/13
14 - 33	3.	HOTCHKIS & WILEY - ENDING 11/30/13
	4.	LOOMIS SAYLES - ENDING 13/31/13
	5.	MFS INVESTMENT - ENDING 11/29/13
	6.	MACKAY SHIELDS - ENDING 11/30/13
	E.	RECAPTURE SERVICES
34 - 36	1.	CONVERGEX - SUMMARY ENDING 11/30/13
	F.	NORTHERN TRUST
37 - 43	1.	SUMMARY EARNINGS ENDING 11/30/13
44	G.	REFUNDS/RETIREMENTS ENDING 12/31/13
45 - 49	H.	BCERS YTD BUDGET REPORT - ENDING 1/8/14
	I.	SERVICE PROVIDER DISCLOSURES
50 - 56	1.	POLICY RESOLUTION TABLED FROM LAST MONTH'S MEETING

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, JANUARY 14, 2014 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

J. BECKER, BURKE ASSOCIATES

57 ..... 1. CLIENT CONSENT REGARDING ACQUISITION BY BOGDAHN CONSULTING, LLC

K. CORRESPONDENCE AND RESOLUTION

58 - 59 ..... 1. ELECTION OF TWO TRUSTEES FOR THE TERM OF JANUARY 1, 2014 - DECEMBER 31, 2016

60 ..... L. NOTICE OF PUBLIC MEETINGS FOR 2014

VI. ANNOUNCEMENTS

A. NEXT REGULAR MEETING - FEBRUARY 11, 2014 AT 1:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4TH FLOOR, BAY CITY, MI 48708

VII. UNFINISHED BUSINESS

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 1:30 p.m. Roll call was taken. All trustees are present.

Chairman Gray states he wants to address Item Q on the Agenda before anything else. Item Q is correspondence from the County Clerk regarding the waiver of election for the Board of Trustees for Mr. Pett and Ms. Zielinski because both were unopposed. Ms. Zielinski will not be seated until January 2014, but Mr. Pett is present and Chairman asks for a vote.

Roll Call:
Brzezinski - yes
Coonan - yes
Gray - yes
Herek - yes
Morse - yes
Gromaski - yes
Pett - abstains
Starkweather - yes

1. Moved, supported and carried to waive the need to hold an election. The Board resolves that effective January 1, 2014, Kristal Zielinski shall be deemed to be elected to the position of Retirement Board of Trustee representative for employee Group 2, and Matthew Pett shall be deemed to be elected to the position of Retirement Board of Trustee representative for employee Group 3, both for the term January 1, 2014 through December 31, 2016.

2. Moved, supported and carried to approve the minutes, as printed, from the October 24, 2013 money manager presentations.

3. Moved, supported and carried to approve the minutes, as printed, from the November 12, 2013 regular meeting.

Chairman Gray called for public input. There is no public input and he moved on to petitions and communications.

Richard Gromaski is present today as the new Trustee to this Board. The Bay-Arenac Behavioral Health Authority (BABHA) Board of Directors has appointed Mr. Gromaski as the BABHA representative to the Bay County Retirement Board of Trustees.

4. Moved, supported and carried to receive Portfolio Value from January 1, 2012 to November 29, 2013. The value today is $289 million.

5. Moved, supported and carried to receive portfolio reports from Cornerstone, Eagle Asset, Hotchkis & Wiley, Loomis Sayles, MFS Investment, and MacKay Shields, all ending 10/31/13.

6. Moved, supported and carried to receive the report from ConvergEx ending 10/31/13.

7. Moved, supported and carried to approve ConvergeEx addendum to our current commission recapture agreement with new rates in respect to the brokerage transactions.

8. Moved, supported and carried to receive Northern Trust's Summary Earnings ending 10/31/13.

9. Moved, supported and carried to receive Refunds/Retirements for the month ending 11/30/13.

10. Moved, supported and carried to receive BCERS Year-To-Date Budget report ending 11/30/13.

11. Moved and supported to receive the BCERS 2014 Bay County Commissioners Level Budget.

Discussion: Trustee questioned the wages and salary section of the report and the change in percentage. This line item relates to the position of Retirement Administrator. Tim Quinn, Director, Human Resources is present today and advises that the new hire for this position is in the Human Resources Department and will report directly to him. This individual will allocate their time to Pension Board activity and retirement activity. The workers compensation portion of this job has been reassigned.

Motion carries.

There were further questions regarding wages and salaries allocated to temporary help and wages for a part time position. Ms. Hebert states the line item for temporary help is for Sue Gansser, and the part time wages are for Naomi Wallace.

12. Moved, supported and carried to receive the Summary Explanation from Ron Wlock, Maximus, regarding the retirement fund 2012 indirect costs.

Discussion: Trustee had a question about the Building & Grounds line item.

13. Moved, supported and carried to approve the amendment to the Bay County Employees' Retirement System Master Custody Agreement.

Discussion: Trustee comments that about a year ago this Board had discussed having two authorized signatures and questions if this is the same thing or something different. Corporation Counsel, Martha Fitzhugh is present and addresses his question. Ms. Fitzhugh states there was a proposed resolution submitted to this Board to identify who was authorized to sign. There was discussion about the wording, and no further action was taken. The review indicated that Sue Gansser was the only one named as an authorized signer. The

two documents that are part of the Agenda today will partially resolve this issue. This amendment to the Master Custody Agreement applies to Northern Trust. The document "Delegation Resolution of Board of Trustees" provides a recommendation that will follow the format of the Delegation Resolution and make it applicable to entities in addition to Northern Trust so the new Retirement Administrator and the other appropriate position would be authorized to sign for this Board. The follow up piece would be that we would have to advise these entities who the current office holder is. If, for some reason we were to have a different Chairman to this Board, then his name would be kept up to date with the entities but the Resolution would authorize the person in that position. This may be an ongoing process as we may have to go beyond Northern Trust. These documents are sufficient for Northern Trust which was an immediate need.

14. Moved, supported and carried to approve the Delegation Resolution of Board of Trustees of the Bay County Employees' retirement System which identifies the officials and staff designated to transfer or deposit funds on behalf of the Bay County Employees' Retirement System.

The next item on the Agenda is Item M regarding policies and annual report formats.

15. Moved to accept the updated policies and annual report formats as submitted by Corporation Counsel.

Discussion: Ms. Fitzhugh states the changes in the Education Policy came from talks with Trustee Brzezinski and Chairman Gray. All the changes may not have been incorporated, so input is still valuable. On page 69 new language is underlined and italicized. The proposed language to be eliminated is crossed out. Chairman Gray states that this Board does not necessarily have to approve these changes today, however, he would like to have these items discussed so that possibly we can have a final approval at the January 2014 meeting.

There was much discussion on the issue of travel. Chairman Gray states that the old policy did not allow for travel outside of Michigan. Current policy states air fare must be coach. Some Trustees were of the opinion that out of state travel to conferences was unnecessary and they could not support that. Others felt that conferences outside of Michigan could be very beneficial and suggested the policy should be flexible in that regard. Attendance could be limited to two Trustees for out of state conferences. One suggested flexibility regarding upgrading to Business Class or First Class in relation to the distance traveled. It was stated that most counsel would say that to hold people back from education may open up liability issues as far as maintaining fiduciary responsibility.

Another Trustee inquired of Mr. Pohl if he has any knowledge as to what other entities allow for out of state travel. Mr. Pohl states there is the Governement Finance Officers Association and they encourage Boards to attend meetings. There is also the International Foundation of Employee Benefit Plans where attendees can gain knowledge. Most of their other clients that

have policies in this regard generally allow one or two people to attend, with a report coming back to the Board. In Illinois, every Trustee must have 30 hours of training in a year. There is not one specific way to do it, it is up to the Board.

Trustee Brzezinski had concerns about the language stating that on site due diligence evaluations should be scheduled with money managers. Mr. Pohl stated that most systems do not go visit their managers and in his opinion, it is not needed.

Trustee Coonan asks if separate issues will be voted on. Chairman Gray states he will ask for the current motion to be removed, and then members will vote on it a piece at a time. Ms. Fitzhugh clarifies that what is being discussed is on page 69 of the Agenda. The fourth paragraph states that "individuals wishing to attend non-MAPERS sponsored conferences shall request prior Board approval and provide a post conference report to the Board on topics covered". That is a proposed alternate that the Board can discuss.

Ms. Fitzhugh states that to her knowledge this Retirement Board did not have a specific, written travel policy. The law from 2012 requires that there be a Travel Policy, an Education Policy and a Due Diligence Policy. The state is not dictating what goes into the policies, they just want them in place. It is believed that in the past this Board followed the County Travel Policy. The drafts being looked at today were sent to us from the MAPERS attorney, Thomas Michaud as a basic policy that we can use as a starting point. Another choice is to "cut and paste" from the County Policy. Ms. Fitzhugh states this Board has fiduciary liability insurance.

Trustee Coonan states that he will not remove his motion and wants to go forward with a vote. Chairman Gray reiterates that the motion and support are to accept this document, pages 68 through 72, as written.

Roll Call:
Brzezinski - yes
Coonan - no
Gray - yes
Herek - yes
Morse - yes
Gromaski - yes
Pett - yes
Starkweather - yes

Motion carries 7 to 1.

Discussion: Trustee Herek had concerns about voting on these documents because they did not have an opportunity to discuss other items listed, such as the paragraph regarding investment managers and their schedule to appear before the Board for performance evaluation. Ms. Hebert, Finance Officer/Secretary, states that the language in this policy duplicates what we already have in our Investment Policy, and the wording is a little different. Chairman Gray states he had a discussion with Ms. Hebert about this issue. We have so many managers

now that we have scheduled two extra days just to be sure we were meeting the 12 month requirement and not violating our policy. Trustee Herek felt the language should have some flexibility for those managers that are performing well. Instead of stating "are to appear", he suggested "may be asked to appear". Ms. Fitzhugh states that we could amend the last motion to allow for text changes in this paragraph or just amend to delete this paragraph, since this subject is already covered in the Investment Policy.

16. Moved and supported to remove from this document the paragraph regarding investment managers and when they need to appear before this board.

Roll Call:
Brzezinski - yes
Coonan - yes
Gray - yes
Herek - yes
Morse - yes
Gromaski - yes
Pett - yes
Starkweather - yes

Motion carries.

Discussion: Mr. Brzezinski refers to page 70 of the policy document and questions the language about meals. There are blanks with no recommended rates for meals. Mr. Herek states the rates should be the IRS recommended rates. Mr. Starkweather states he was going to suggest the GSA prevailing rate. There is an Index that we can use, or this policy may have to be continually revised. He suggests we search for an index and insert that index into the document. Ms. Fitzhugh states she would like to research that and come back to the Board with a recommendation next month. Mr. Pett asks that since we already voted to approve this policy, do we need another motion to amend this language? Ms. Fitzhugh states we need to amend.

17. Moved and supported to amend paragraph regarding meals on page 70 to incorporate an appropriate Index to be determined and recommended by Corporation Counsel.

Roll Call:
Brzezinski - yes
Coonan - yes
Gray - yes
Herek - yes
Morse - yes
Gromaski - yes
Pett - yes
Starkweather - yes

Motion carries.

Next item on the Agenda is Item N, which is a draft regarding Service Provider Disclosures, pages 73 through 79.

Motion made to accept this document. Trustee Gromaski questions page 75, Compensation Disclosure Form, which is blank. Motion is withdrawn. Some discussion on the disclosure form and how prevalent they are.

18. Moved, supported and carried to table the resolution regarding the Service Provider Disclosures (pages 73-79) to the January 2014 meeting.

19. Moved, supported and carried to approve the interest rate of 4% on accumulated contributions for 2014.

20. Moved, supported and carried to approve the request of Patrick Baker, Bay Arenac Behavioral Health, to purchase military service credit.

21. Moved, supported and carried to approve the Notice of Public Meetings for 2014.

ANNOUNCEMENTS:

A. Next regularly scheduled meeting will be Tuesday, January 14, 2014 at 10:00 a.m. (manager interviews) and at 1:30 P.M. in Commissioner's Chambers, 515 Center Avenue - 4th Floor, Bay City, MI 48708.

UNFINISHED BUSINESS:

Chairman inquires of Mr. Quinn if he has contacted Gabriel Roeder Smith to advise that we will be going forward with the software. Mr. Quinn responds that he has not yet done that, but will take care of it.

Trustee Starkweather suggested that we should have some type of certification that the software we purchase is transferrable from one actuary to another because we are going out for Request for Information to investigate the possibility of changing actuaries. We should be sure that the software we purchase is not limited to one actuary.

Trustee Pett asks if the new Retirement Administrator will be compensated for VEBA activity. Mr. Quinn responds in the affirmative. Mr. Quinn states they have interviewed several individuals for the position, have concluded second interviews, and states they have reached a consensus to make a recommendation to the County Executive. They are waiting for reference checks to come in before the hiring process can be completed.

NEW BUSINESS:

Chairman turns the meeting over to Becker, Burke Associates. Jeff Black announced that Becker, Burke Associates has been acquired by The Bogdahn Group.

They are an existing firm very similar in philosophy and approach as Becker, Burke. They are an independent firm, dedicated to clients, receiving no outside money from anyone but the clients for the consulting work they do. They a are large player in public funds, with a lot of experience in that area which Jeff feels will only help in servicing their clients.

Howard Pohl states that the official announcement will be released tomorrow. He stated that for the last several years various companies have approached Becker, Burke asking to acquire them. Mr. Pohl and Rick Potter always turned them down as it was never a good fit in terms of ethics, business practices, etc. At the beginning of 2013 a former associate from AGBecker, who knows the people at Bogdahn, based in Orlando, was talking to them and suggested they talk to Becker Burke. Rick and Howard met with them in January 2013 and became interested due to their philosophy being exactly like Becker Burke's. In April Rick and Howard traveled to Orlando to visit the Bogdahn Group. The meeting went very well.

Rick Potter passed away one week later which put things on hold for a while. A couple of months ago, talks resumed. Bogdahn has about 39 employees, 19 consultants, 9 CFA's. They handle almost all police and fire funds in Florida. At the end of last week, the agreement was finalized, and the acquisition will take effect January 1, 2014.

Bay County should not see any changes. Bogdahn has offered Mr. Pohl a 5-year contract and are offering employment to everyone else at Becker, Burke. They were very interested in having an office in the midwest that could handle their expansion. All contracts will be honored, there will be no changes in the terms or anything else. From a legal standpoint, because they are both SCC registered investment advisors and consulting firms, there will be a simple assignment to the Bogdahn Group to take over the contract. The same team will continue to handle our account. They have a great research department for money managers. Going forward, Becker Burke is excited about this move, and feels it will be a benefit to everyone. Mr. Pohl passed out an information sheet on The Bogdahn Group.

Chairman Gray inquires of Corporation Counsel how to proceed with this change. Ms. Fitzhugh states she will need to review all documents before making a recommendation. Mr. Pohl states they will be sending up a packet of information regarding this acquisition. He just wanted to the inform the Board today of this change.

Trustee inquires about our contract with Becker Burke and if it contains anything about acquisitions. Ms. Fitzhugh responds that the contract with Becker Burke has been in place for a long time and she would have to review the terms and conditions before she can respond.

MISCELLANEOUS BUSINESS:

Trustee Pett inquires about the status of the Summary Annual Report as employees have not yet received a copy. Ms. Hebert responds that the BCERS Summary Annual Report has just been finalized, and Tiffany Jerry is following up with Gabriel Roeder. Copies of the VEBA Summary Annual Report have been received.

ADJOURNMENT:

22. Moved, supported and carried to adjourn the meeting at 2:49 p.m.

Respectfully submitted,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

Transcribed by: Naomi Wallace

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

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 1:30 P.M.

OTHER PRESENT: JEFF BLACK, HOWARD POHL, CRYSTAL HEBERT, TIM QUINN, MARTHA FITZHUGH

TRUSTEE	1	2	3	4	5	6	7	8	9	10
BRZEZINSKI	M - Y	M	M	Y	Y	Y	M	M	M	Y
COONAN	Y	Y	Y	Y	M	M	Y	Y	Y	Y
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
GROMASKI	Y	Y	Y	S	Y	Y	Y	Y	Y	Y
HEREK	S - Y	Y	S	Y	S	Y	Y	S	Y	Y
MORSE	Y	Y	Y	Y	Y	S	Y	Y	Y	Y
PETT	ABSTAIN	S	Y	M	Y	Y	YS	Y	S	Y
STARKWEATHER	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

TRUSTEE	11	12	13	14	15	16	17	18	19	20
BRZEZINSKI	S	S	S		Y	Y	Y	M	Y	Y
COONAN	Y	Y	Y	M	M - N	Y	Y	Y	M	M
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
GROMASKI	Y	Y	Y	Y	Y	Y	S - Y	Y	S	S
HEREK	Y	M	M	Y	Y	Y	Y	S	Y	Y
MORSE	Y	Y	Y	S	S - Y	Y	Y	Y	Y	Y
PETT	M	Y	Y	Y	Y	S - Y	Y	Y	Y	M
STARKWEATHER	Y	Y	Y	Y	Y	M - Y	M - Y	Y	Y	Y

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

MEETING OF THE **BCERS** BOARD OF TRUSTEES COMMITTEE
DECEMBER 10, 2013 - Page 2 of 2

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 1:30 P.M.

OTHER PRESENT: JEFF BLACK, HOWARD POHL, CRYSTAL HEBERT, TIM QUINN, MARTHA FITZHUGH

TRUSTEE	21	22	23	24	25	26	27	28	29	30
BRZEZINSKI	Y	Y								
COONAN	Y	Y								
GRAY	Y	Y								
GROMASKI	S	M								
HEREK	Y	Y								
MORSE	Y	S								
PETT	M	Y								
STARKWEATHER	Y	Y								

◆Mgr Mix w/ Accruals

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	0.00	49,493.24	43,174,588.44	0.00	0.00	0.00	43,224,081.68
2608694	0.00%	0.11%	99.89%	0.00%	0.00%	0.00%	14.63%
*BAYCO - BAIRD -SL	0.00	863,794.43	0.00	23,409,384.50	0.00	-196,272.60	24,076,906.33
2618668	0.00%	3.59%	0.00%	97.23%	0.00%	-0.82%	8.15%
*BAYCO - SCHRODERS -SL	0.00	217.18	18,204,396.36	0.00	0.00	0.00	18,204,613.54
2618669	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	6.16%
*BAYCO - MACKAY SHIELDS -SL	0.00	2,335,978.52	2,193,057.91	12,750,775.66	0.00	0.00	17,279,812.09
2622490	0.00%	13.52%	12.69%	73.79%	0.00%	0.00%	5.85%
*BAYCO - HOTCHKIS & WILEY -SL	0.00	478,918.98	11,067,027.85	0.00	0.00	4,024.39	11,549,971.22
2622536	0.00%	4.15%	95.82%	0.00%	0.00%	0.03%	3.91%
*BAYCO - WENTWORTH -SL	0.00	1,556.12	0.00	0.00	0.00	0.00	1,556.12
2624493	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
*BAYCO -CASH -SL	0.00	3,178,208.38	0.00	0.00	0.00	0.00	3,178,208.38
2639953	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	1.08%
*BAYCO - DENVER INV ADV -SL	0.00	15,636.06	0.00	0.00	0.00	0.00	15,636.06
2639956	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.01%
*BAYCO - LOOMIS SAYLES -SL	0.00	796,176.34	0.00	32,352,881.60	0.00	0.00	33,149,057.94
2641401	0.00%	2.40%	0.00%	97.60%	0.00%	0.00%	11.22%
*BAYCO GENEVA CAPITAL MGMT -SL	0.00	402,900.81	24,090,709.67	0.00	0.00	0.00	24,493,610.48
2649057	0.00%	1.64%	98.36%	0.00%	0.00%	0.00%	8.29%
*BAYCO - VANGUARD LG CAP CO-SL	0.00	0.00	13,287,261.18	0.00	0.00	0.00	13,287,261.18
2649840	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	4.50%
*BAYCO - INTEGRITY -SL	0.00	458,267.69	25,188,352.28	0.00	0.00	122,301.02	25,768,920.99
2653308	0.00%	1.78%	97.75%	0.00%	0.00%	0.47%	8.72%
*BAYCO - CORNERSTONE REALES-SL	0.00	62,282.96	10,424,387.36	0.00	0.00	45,171.66	10,531,841.98
2663296	0.00%	0.59%	98.98%	0.00%	0.00%	0.43%	3.56%
*BAYCO - MFS INVESTMENTS -SL	0.00	640,478.85	42,444,114.48	0.00	0.00	63,222.76	43,147,816.09
2683854	0.00%	1.48%	98.37%	0.00%	0.00%	0.15%	14.60%

2013 VENDOR #	BAIRD 63541	BARINGS 1539	CORNERSTONE 464	DENVER 29024	EAGLE (RJFN) 2980	GENEVA 4299	HOTCHKIS & WILEY 57457	LOOMIS SAYLES 30127	MACKAY SHIELDS 55627	MARVIN PALMER 94299	MFS 4025	INTEGRITY 94150	SCHRODER 05337	COLUMBIA 44007	VAN GUARD	WENTWORTH (WHV) 58141	CASH	TOTAL
JAN	22,420,682.07	14,361,871.99	10,128,089.75	1,013.55	10,057,763.88	20,525,062.60	12,052,863.14	30,322,288.54	15,789,752.23	0.00	27,874,477.97	21,879,596.30	10,183,373.77	30,362,702.28	0.00	29,603,346.66	988,076.89	256,550,961.62
FEB	22,528,215.48	13,989,338.23	10,178,606.05	830.06	10,158,593.40	20,812,377.68	10,755,129.02	30,560,229.50	15,291,938.07	0.00	28,264,426.42	22,188,021.99	10,208,675.71	30,642,040.58	0.00	29,308,336.94	2,624,568.58	257,511,327.71
MARCH	22,539,820.62	14,156,136.07	10,528,164.04	9,620.13	10,756,985.40	21,447,855.23	11,310,555.83	30,611,489.45	15,618,583.96	0.00	29,217,285.85	23,263,326.39	10,330,641.21	32,066,615.99	0.00	30,311,411.59	1,463,367.35	263,631,859.11
APRIL	22,712,417.72	14,665,711.46	11,185,799.12	9,631.80	10,705,106.05	21,046,585.80	11,103,825.36	31,223,325.79	15,855,996.31	0.00	29,377,565.77	23,508,784.08	10,634,825.60	32,445,229.51	0.00	30,213,839.68	1,196,328.85	265,884,972.90
MAY	22,295,999.07	14,401,155.64	10,542,159.83	0.51	11,173,234.18	21,587,057.43	11,225,429.11	30,493,479.36	16,124,972.80	0.00	30,201,352.83	23,971,423.26	10,560,927.26	33,502,570.25	0.00	30,605,395.79	2,382,796.68	269,067,954.00
JUNE	22,007,120.23	14,127,882.25	10,263,707.39	0.51	9,465,426.31	20,625,958.87	9,362,646.31	29,537,371.30	16,022,064.87	0.00	29,787,735.53	23,643,805.13	10,366,147.80	32,958,582.49	0.00	34,685,585.27	1,646,844.52	264,500,878.78
JULY	24,061,085.93	15,162,033.02	10,706,497.88	0.54	10,180,290.20	22,016,108.49	10,052,683.06	32,490,450.81	16,452,602.63	0.00	36,996,638.50	24,439,804.90	15,337,936.65	40,213,400.44	14,360,413.53	35,198.76	3,021,877.45	275,527,022.79
AUG	23,959,181.04	14,860,985.86	10,003,878.14	169.45	10,019,308.14	21,607,048.35	9,661,790.82	32,214,435.14	16,258,579.50	0.00	36,671,625.21	23,450,399.25	15,885,204.50	39,027,274.44	13,944,142.73	847.71	2,051,784.09	269,396,654.37
SEPT	24,224,075.17	15,634,005.20	10,431,612.75	169.45	10,543,746.10	22,887,791.88	10,226,318.86	32,588,055.61	16,699,580.79	0.00	38,856,784.18	24,488,418.66	16,805,661.40	40,099,445.41	14,381,337.74	847.74	1,455,017.37	279,322,868.31
OCT	24,385,280.52	16,070,732.09	10,941,670.75	15,585.20	10,525,497.71	23,465,855.89	10,455,794.07	33,197,930.24	17,017,143.25	0.00	40,392,583.60	24,254,827.29	17,479,288.23	40,332,157.75	15,042,505.73	1,556.12	2,993,447.60	286,571,816.04
NOV	24,303,648.07	16,286,380.44	10,501,702.33	15,635.40	10,751,597.32	23,778,934.82	10,997,173.91	33,147,681.74	17,203,100.42	0.00	41,485,626.65	24,801,080.17	17,746,974.38	42,104,850.80	15,500,093.75	1,556.12	1,625,348.58	290,251,384.90
DEC	24,076,906.33	16,583,408.22	10,531,841.98	15,636.06	11,027,484.41	24,493,610.48	11,549,971.22	33,149,057.94	17,279,812.09	0.00	43,147,816.09	25,768,920.99	18,204,613.54	43,224,081.68	13,287,261.18	1,556.12	3,178,208.38	295,520,186.71

2013	BAIRD	BARINGS	CORNERSTONE	DENVER	EAGLE	GENEVA	HOTCHKIS & WILEY	LOOMIS SAYLES	MACKAY SHIELDS	MARVIN PALMER	MFS	INTEGRITY	SCHRODER	COLUMBIA	VAN GUARD	WENTWORTH	CASH	TOTAL
1ST QTR	16,906.57	33,102.61	15,792.19		22,844.11	29,213.00	28,432.09	24,131.20	19,435.18	0.00	41,402.42	45,832.00	21,731.99	40,042.85		38,733.00		377,599.21
2ND QTR	16,507.97	33,946.19	15,395.40		19,970.45	39,536.00	26,431.34	23,467.68	19,561.15		44,346.59	47,681.00	22,160.73	41,127.45		36,264.00		386,395.95
3RD QTR	18,168.06	36,305.47	15,647.42		22,259.70		24,950.66	25,368.82	20,044.65		53,805.44	48,987.00	31,753.53	50,050.65				347,341.40
4TH QTR									20,915.13									
2012 YTD	51,582.60	103,354.27	46,835.01	0.00	65,074.26		79,814.09	72,967.70	79,956.11	0.00	139,554.45	142,500.00	75,646.25	131,220.95		74,997.00	0.00	1,111,336.58

INVESTMENT MANAGER FEES ARE PAID FROM: 73127400 80100 (Professional Services)

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
EAGLE	SMALL-CAP GROWTH MANAGER
GENEVA	MID-CAP GROWTH MANAGER
HOTCHKIS & WILEY	SMALL CAP VALUE MANAGER
INTEGRITY	MID-CAP VALUE MANAGER
LOOMIS SAYLES	CORPORATE BOND MANAGER
MACKAY SHIELDS	CONVERTIBLE BOND MANAGER
MFS	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	.50% - FIRST $40 MILLION .40% - NEXT $60 MILLION
CORNERSTONE	.60% - OF THE FAIR MARKET VALUE OF ASSETS
EAGLE	.85% - ON ASSETS UNDER MANAGEMENT
GENEVA	.75% - 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
MFS	.60% - ON FIRST $50 MILLION
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 .30%-OVER $30 MILLION

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CORNERSTONE

PERFORMANCE HISTORY
Bay County Employees' Retirement System

Time Period	11/30/2013	Percent Return Per Period		
		Portfolio		FTSE/NAREIT
		Gross	Net	Equity REIT Index
1 Month		-4.02%	-4.07%	-5.19%
YTD		3.97%	3.40%	2.23%
1 Year		7.61%	6.97%	6.06%
3 Year		12.12%	11.46%	11.01%
5 Year		21.27%	20.55%	20.03%
Inception (October 21, 2008)		15.97%	15.28%	13.81%

CORNERSTONE

November 30, 2013

Bay County Employees' Retirement System

Symbol	Description	Property Type	Shares	Cost	Cost Per Share	Closing Price 11/30/2013	Percentage of Portfolio	Market Value 11/30/2013	Dividend Yield
Equity Holdings									
AEC	Associated Estates Realty Corp	Apartment	1,760	$28,432.89	$16.16	$15.91	0.3%	$28,002	4.8%
AVB	AvalonBay Communities Inc	Apartment	2,327	$296,806.81	$127.55	$118.56	2.6%	$275,889	3.5%
EQR	Equity Residential	Apartment	5,250	$272,141.20	$51.84	$51.54	2.6%	$270,585	3.8%
ESS	Essex Property Trust Inc	Apartment	2,810	$440,586.04	$156.79	$151.81	4.1%	$426,586	3.1%
CUZ	Cousins Properties Inc	Diversified	9,150	$93,178.03	$10.18	$10.71	0.9%	$97,997	1.7%
LXP	Lexington Realty Trust	Diversified	14,740	$168,515.39	$11.43	$10.27	1.4%	$151,380	5.8%
VNO	Vornado Realty Trust	Diversified	3,804	$266,193.30	$69.98	$87.93	3.2%	$334,486	4.5%
SRC	Spirit Realty Capital Inc	Free Standing	11,780	$111,818.41	$9.49	$9.93	1.1%	$116,975	7.0%
HCN	Health Care REIT Inc	Healthcare	4,960	$280,959.32	$56.65	$55.99	2.6%	$277,710	5.5%
NHI	National Health Investors Inc	Healthcare	1,467	$84,570.74	$57.65	$58.87	0.8%	$86,362	5.2%
OHI	Omega Healthcare Investors Inc	Healthcare	2,380	$83,958.31	$35.28	$32.69	0.7%	$77,802	5.7%
SBRA	Sabra Health Care REIT Inc	Healthcare	3,670	$104,967.49	$28.60	$26.68	0.9%	$97,916	5.1%
VTR	Ventas Inc	Healthcare	2,597	$138,289.46	$53.25	$56.83	1.4%	$147,588	4.6%
CSU	Capital Senior Living Corp	Healthcare/Not Indexed	5,850	$138,598.37	$23.69	$22.33	1.2%	$130,631	0.0%
AHP	Ashford Hospitality Prime Inc	Hotels	1,255	$26,794.25	$21.35	$20.46	0.2%	$25,677	0.0%
AHT	Ashford Hospitality Trust Inc	Hotels	6,310	$80,377.48	$12.74	$8.21	0.5%	$51,805	5.7%
CHSP	Chesapeake Lodging Trust	Hotels	8,050	$168,581.20	$20.94	$23.87	1.8%	$192,154	4.0%
DRH	DiamondRock Hospitality Co	Hotels	6,360	$73,259.45	$11.52	$11.43	0.7%	$72,695	2.9%
FCH	FelCor Lodging Trust Inc	Hotels	13,250	$81,665.49	$6.16	$7.32	0.9%	$96,990	0.0%
HT	Hersha Hospitality Trust	Hotels	18,750	$106,538.95	$5.68	$5.73	1.0%	$107,438	4.2%
HST	Host Hotels & Resorts Inc	Hotels	23,605	$366,111.27	$15.51	$18.41	4.1%	$434,568	2.3%
LHO	LaSalle Hotel Properties	Hotels	4,960	$131,700.00	$26.55	$31.32	1.5%	$155,347	2.8%
BEE	Strategic Hotels & Resorts Inc	Hotels	7,760	$54,343.87	$7.00	$8.93	0.7%	$69,297	0.0%
SHO	Sunstone Hotel Investors Inc	Hotels	14,014	$120,360.25	$8.59	$13.07	1.7%	$183,163	0.4%
DCT	DCT Industrial Trust Inc	Industrial	50,610	$377,043.19	$7.45	$7.46	3.6%	$377,551	3.8%
FR	First Industrial Realty Trust	Industrial	16,711	$256,166.11	$15.33	$17.46	2.8%	$291,774	1.5%
PLD	Prologis Inc	Industrial	8,240	$309,931.00	$37.61	$37.93	3.0%	$312,543	3.0%
STAG	STAG Industrial Inc	Industrial	8,100	$175,158.75	$21.62	$21.68	1.7%	$175,608	6.3%
BXP	Boston Properties Inc	Office	4,070	$333,492.10	$81.94	$99.49	3.9%	$404,924	2.6%
DEI	Douglas Emmett Inc	Office	15,007	$305,074.42	$20.33	$22.98	3.3%	$344,861	3.1%
HIW	Highwoods Properties Inc	Office	7,450	$267,798.25	$35.95	$35.92	2.5%	$267,604	4.7%
KRC	Kilroy Realty Corp	Office	5,522	$278,959.07	$50.52	$50.35	2.6%	$278,033	2.8%
DOC	Physicians Realty Trust	Office	2,010	$23,121.36	$11.50	$11.95	0.2%	$24,020	1.5%
SLG	SL Green Realty Corp	Office	700	$43,433.67	$62.05	$90.47	0.6%	$63,329	1.5%
GGP	General Growth Properties Inc	Regional Mall	26,511	$550,435.77	$20.76	$20.75	5.2%	$550,103	2.3%
SPG	Simon Property Group Inc	Regional Mall	8,298	$830,231.48	$100.05	$149.85	11.8%	$1,243,455	3.1%
CUBE	CubeSmart	Self-Storage	8,910	$135,270.60	$15.18	$16.22	1.4%	$144,520	2.7%
EXR	Extra Space Storage Inc	Self-Storage	4,900	$207,856.66	$42.42	$41.92	2.0%	$205,408	3.1%
AKR	Acadia Realty Trust	Shopping Centers	9,890	$247,361.98	$25.01	$25.97	2.4%	$256,843	3.1%
DDR	DDR Corp	Shopping Centers	7,520	$126,286.53	$16.79	$15.99	1.1%	$120,245	3.3%
KIM	Kimco Realty Corp	Shopping Centers	17,110	$362,050.59	$21.16	$20.62	3.4%	$352,808	4.1%
KRG	Kite Realty Group Trust	Shopping Centers	3,529	$21,766.85	$6.17	$6.55	0.2%	$23,115	3.7%
RPT	Ramco-Gershenson Properties Tr	Shopping Centers	12,850	$192,550.75	$14.98	$16.00	2.0%	$205,600	4.3%
REG	Regency Centers Corp	Shopping Centers	6,340	$320,384.64	$50.53	$46.84	2.8%	$296,966	3.9%
SKT	Tanger Factory Outlet Centers	Shopping Centers	5,850	$211,147.46	$36.09	$33.07	1.8%	$193,460	2.7%
WY	Weyerhaeuser Co	Timber	7,930	$234,644.49	$29.59	$30.13	2.3%	$238,931	2.7%
				Total Equities			97.9%	$ 10,280,741	3.3%
				Accrued Income			0.0%	$ 3,955	
				Total Cash & Cash Equivalents			2.1%	$ 217,000	
				Total Portfolio Value			100.0%	$ 10,501,696	

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

November 30, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
COMMON STOCK							
2,578	AFFILIATED MANAGERS GRP COM	122.37	315,468	200.25	516,244	2.2	0.0
7,295	ALIGN TECHNOLOGY INC COM	30.60	223,261	54.64	398,599	1.7	0.0
9,936	AMETEK INC NEW COM	40.34	400,841	49.22	489,050	2.1	0.5
5,941	AMPHENOL CORP NEW CL A	67.92	403,492	85.00	504,985	2.1	0.9
5,508	ANSYS INC COM	72.76	400,764	85.67	471,870	2.0	0.0
2,317	BARD C R INC COM	115.63	267,919	138.88	321,785	1.4	0.6
6,533	BEACON ROOFING SUPPLY INC COM	41.37	270,246	37.18	242,897	1.0	0.0
6,292	BROWN & BROWN INC COM	30.77	193,596	31.62	198,953	0.8	1.3
5,748	CATAMARAN CORP COM	51.42	295,542	45.63	262,281	1.1	0.0
10,376	CERNER CORP COM	40.92	424,573	57.47	596,309	2.5	0.0
3,370	CHART INDS INC COM	82.49	278,006	97.30	327,901	1.4	0.0
932	CHIPOTLE MEXICAN GRILL INC COM	321.38	299,526	523.86	488,238	2.1	0.0
5,927	CHURCH & DWIGHT INC COM	55.87	331,150	65.25	386,737	1.6	1.7
3,321	CITRIX SYS INC COM	70.74	234,938	59.32	197,002	0.8	0.0
6,274	COGNIZANT TECHNOLOGY SOLUTIONS CL A	78.17	490,428	93.89	589,066	2.5	0.0
3,421	COMMVAULT SYSTEMS INC COM	82.39	281,845	74.85	256,062	1.1	0.0
4,071	CONCHO RES INC COM	91.71	373,334	103.93	423,099	1.8	0.0
8,169	COPART INC COM	31.50	257,317	34.43	281,259	1.2	0.0
2,049	COSTAR GROUP INC COM	135.61	277,858	186.24	381,606	1.6	0.0
8,653	DICKS SPORTING GOODS INC COM	49.54	428,652	56.52	489,068	2.1	0.9
9,848	DSW INC CL A	41.75	411,181	44.83	441,486	1.9	1.1
13,699	EAST WEST BANCORP INC COM	23.16	317,239	34.28	469,602	2.0	1.8
1,757	FACTSET RESH SYS INC COM	88.64	155,732	113.00	198,541	0.8	1.2
6,136	FASTENAL CO COM	46.65	286,227	46.53	285,508	1.2	2.1
4,369	FISERV INC COM	82.78	361,667	109.89	480,109	2.0	0.0
3,405	GENESEE & WYO INC CL A	81.71	278,225	96.20	327,561	1.4	0.0
2,935	HAIN CELESTIAL GROUP INC COM	81.84	240,191	82.69	242,695	1.0	0.0
4,681	HUNT J B TRANS SVCS INC COM	69.32	324,493	75.19	351,964	1.5	0.8
5,871	IDEX CORP COM	52.85	310,262	71.33	418,778	1.8	1.3
3,821	IHS INC CL A	102.21	390,537	114.43	437,237	1.8	0.0

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Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

November 30, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
CASH AND EQUIVALENTS							
	ACCRUED DIVIDENDS		9,207		9,207	0.0	0.0
	CASH ACCOUNT		417,519		417,519	1.8	0.0
			426,726		426,726	1.8	0.0
TOTAL PORTFOLIO			**19,216,463**		**23,778,926**	**100.0**	**0.4**

Please compare the information in Geneva's client reports with the information provided by the independent custodian of your account(s).

The market value on Geneva's report may differ from the value on the statement provided by your custodian due to cut off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. For tax purposes, refer to custodian records and consult with your tax adviser for advice. Geneva's reports should not be relied upon for tax purposes. Cost basis data is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the current yield on money market fund(s). If you are not receiving periodic statements directly from your custodian, please contact Geneva immediately at 414-224-6002. Thank you.

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

December 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
COMMON STOCK							
2,578	AFFILIATED MANAGERS GRP COM	122.37	315,468	216.88	559,117	2.3	0.0
7,295	ALIGN TECHNOLOGY INC COM	30.60	223,261	57.14	416,836	1.7	0.0
9,936	AMETEK INC NEW COM	40.34	400,841	52.67	523,329	2.1	0.5
5,941	AMPHENOL CORP NEW CL A	67.92	403,492	89.18	529,818	2.2	0.9
5,508	ANSYS INC COM	72.76	400,764	87.20	480,298	2.0	0.0
2,317	BARD C R INC COM	115.63	267,919	133.94	310,339	1.3	0.6
6,533	BEACON ROOFING SUPPLY INC COM	41.37	270,246	40.28	263,149	1.1	0.0
6,292	BROWN & BROWN INC COM	30.77	193,596	31.39	197,506	0.8	1.3
5,748	CATAMARAN CORP COM	51.42	295,542	47.46	272,812	1.1	0.0
10,376	CERNER CORP COM	40.92	424,573	55.74	578,358	2.4	0.0
3,370	CHART INDS INC COM	82.49	278,006	95.64	322,307	1.3	0.0
932	CHIPOTLE MEXICAN GRILL INC COM	321.38	299,526	532.78	496,551	2.0	0.0
5,927	CHURCH & DWIGHT INC COM	55.87	331,150	66.28	392,842	1.6	1.7
3,321	CITRIX SYS INC COM	70.74	234,938	63.25	210,053	0.9	0.0
6,274	COGNIZANT TECHNOLOGY SOLUTIONS CL A	78.17	490,428	100.98	633,549	2.6	0.0
3,421	COMMVAULT SYSTEMS INC COM	82.39	281,845	74.86	256,103	1.0	0.0
4,071	CONCHO RES INC COM	91.71	373,334	108.00	439,668	1.8	0.0
10,828	COPART INC COM	32.30	349,739	36.65	396,846	1.6	0.0
2,049	COSTAR GROUP INC COM	135.61	277,858	184.58	378,204	1.5	0.0
8,653	DICKS SPORTING GOODS INC COM	49.54	428,652	58.10	502,739	2.1	0.9
9,848	DSW INC CL A	41.75	411,181	42.73	420,805	1.7	1.2
13,699	EAST WEST BANCORP INC COM	23.16	317,239	34.97	479,054	2.0	1.7
1,757	FACTSET RESH SYS INC COM	88.64	155,732	108.58	190,775	0.8	1.3
6,136	FASTENAL CO COM	46.65	286,227	47.51	291,521	1.2	2.1
8,738	FISERV INC COM	41.39	361,667	59.05	515,979	2.1	0.0
3,405	GENESEE & WYO INC CL A	81.71	278,225	96.05	327,050	1.3	0.0
2,935	HAIN CELESTIAL GROUP INC COM	81.84	240,191	90.78	266,439	1.1	0.0
4,681	HUNT J B TRANS SVCS INC COM	69.32	324,493	77.30	361,841	1.5	0.8
5,871	IDEX CORP COM	52.85	310,262	73.85	433,573	1.8	1.2
3,821	IHS INC CL A	102.21	390,537	119.70	457,374	1.9	0.0

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

December 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
2,280	INTERCONTINENTAL EXCHANGE GROUP COM	127.72	291,198	224.92	512,818	2.1	1.2
6,079	INTUIT COM	62.44	379,579	76.32	463,949	1.9	1.0
21,755	LKQ CORP COM	22.85	497,070	32.90	715,739	2.9	0.0
7,780	MICROS SYS INC COM	44.73	347,997	57.37	446,339	1.8	0.0
1,114	MIDDLEBY CORP COM	204.04	227,304	239.72	267,053	1.1	0.0
4,410	O REILLY AUTOMOTIVE INC NEW COM	87.69	386,698	128.71	567,611	2.3	0.0
7,528	OASIS PETE INC NEW COM	34.73	261,416	46.97	353,590	1.4	0.0
2,807	OCEANEERING INTL INC COM	69.74	195,753	78.88	221,416	0.9	1.1
3,557	PALL CORP COM	69.15	245,968	85.35	303,590	1.2	1.3
1,956	PANERA BREAD CO CL A	163.05	318,921	176.69	345,606	1.4	0.0
7,203	PAREXEL INTL CORP COM	33.14	238,685	45.18	325,432	1.3	0.0
3,352	PERRIGO CO PLC SHS	152.20	510,191	153.46	514,398	2.1	0.2
4,548	POLARIS INDS INC COM	83.79	381,099	145.64	662,371	2.7	1.2
4,499	RANGE RES CORP COM	67.17	302,205	84.31	379,311	1.5	0.2
2,769	RAYMOND JAMES FINANCIAL INC COM	51.39	142,312	52.19	144,514	0.6	1.2
7,814	RED HAT INC COM	51.33	401,067	56.04	437,897	1.8	0.0
2,446	ROPER INDS INC NEW COM	114.81	280,819	138.68	339,211	1.4	0.6
3,253	SIGMA ALDRICH CORP COM	76.44	248,656	94.01	305,815	1.2	0.9
4,763	SIGNATURE BK NEW YORK N Y COM	72.85	346,977	107.42	511,641	2.1	0.0
4,208	SIRONA DENTAL SYSTEMS INC COM	69.53	292,572	70.20	295,402	1.2	0.0
3,584	SMUCKER J M CO COM NEW	88.81	318,279	103.62	371,374	1.5	2.2
3,794	STERICYCLE INC COM	95.08	360,735	116.17	440,749	1.8	0.0
8,916	TRACTOR SUPPLY CO COM	46.82	417,429	77.58	691,703	2.8	0.7
13,564	TRIMBLE NAVIGATION LTD COM	30.97	420,091	34.70	470,671	1.9	0.0
2,755	TYLER TECHNOLOGIES INC COM	79.55	219,162	102.13	281,368	1.1	0.0
2,553	ULTA SALON COSMETCS & FRAG INC COM	92.76	236,804	96.52	246,416	1.0	0.0
6,570	UNDER ARMOUR INC CL A	52.25	343,267	87.30	573,561	2.3	0.0

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

December 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
6,105	VARIAN MED SYS INC COM	74.77	456,480	77.69	474,297	1.9	0.0
7,000	WABTEC CORP COM	47.44	332,049	74.27	519,890	2.1	0.2
			19,017,713		24,088,566	98.3	0.4
CASH AND EQUIVALENTS							
	ACCRUED DIVIDENDS		1,631		1,631	0.0	0.0
	CASH ACCOUNT		402,890		402,890	1.6	0.0
			404,521		404,521	1.7	0.0
TOTAL PORTFOLIO			**19,422,235**		**24,493,088**	**100.0**	**0.4**

Please compare the information in Geneva's client reports with the information provided by the independent custodian of your account(s).

The market value on Geneva's report may differ from the value on the statement provided by your custodian due to cut off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. For tax purposes, refer to custodian records and consult with your tax adviser for advice. Geneva's reports should not be relied upon for tax purposes. Cost basis data is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the current yield on money market fund(s). If you are not receiving periodic statements directly from your custodian, please contact Geneva immediately at 414-224-6002. Thank you.

Geneva Capital Management Ltd.

PERFORMANCE HISTORY
NET OF FEES

Bay County Employees' Retirement System
XXXX9057 (bcers)

From 01-17-2013 to 12-31-2013

Time Period			Percent Return Per Period		
			Total Account	Equities	Russell Midcap Growth Index
01-17-2013	to	01-31-2013	1.01	1.02	1.65
01-31-2013	to	02-28-2013	1.41	1.43	1.01
02-28-2013	to	03-31-2013	3.05	3.10	3.99
03-31-2013	to	04-30-2013	-2.02	-1.92	1.47
04-30-2013	to	05-31-2013	2.57	2.62	2.63
05-31-2013	to	06-30-2013	-0.34	-0.34	-1.22
06-30-2013	to	07-31-2013	6.55	6.84	6.22
07-31-2013	to	08-31-2013	-1.86	-1.88	-1.90
08-31-2013	to	09-30-2013	5.93	6.02	4.93
09-30-2013	to	10-31-2013	2.34	2.57	2.62
10-31-2013	to	11-30-2013	1.34	1.36	2.21
11-30-2013	to	12-31-2013	3.00	3.05	3.19
Inception to Date					
01-17-2013	to	12-31-2013	25.11	26.17	29.97

Please compare the information in Geneva's client reports with the information provided by the independent custodian of your account(s).

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BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM

Small Cap Value | Total Market Value: $10,997,168 (2.8% Cash) | Month Ended November 30, 2013

Performance Returns - Gross of Fees

	MTD	QTD	YTD	Since Incept.
Portfolio - Total Return	5.18 %	7.54 %	41.18 %	10.44 %
Portfolio - Equity Only	5.31	7.72	42.27	10.38
Russell 2000 Value Index	3.90	7.28	32.03	8.79
Russell 2000 Index	4.01	6.62	36.14	9.08
S&P 500 Index	3.05	7.78	29.12	7.69

Commencement of portfolio: 12/1/03. Periods over one year are average annualized returns.

Weighted Average Portfolio Characteristics

	Portfolio	Rus 2000 V	Rus 2000
Projected P/E Ratio (FY2)	14.4x	16.0x	17.8x
Price / Cash Flow Ratio	5.0x	7.4x	9.3x
Price / Book Ratio	1.6x	1.6x	2.3x
Dividend Yield	1.2%	1.9%	1.2%
Market Capitalization (mm)	$2,171	$1,520	$1,761
# of Holdings / 1-Yr Turnover	57 / 52%		

Top and Bottom Five Contributors to Performance

	End Wgt	Ttl Ret.	Contr.
Avis Budget Group Inc.	2.65 %	17.65 %	0.52 %
Arris Group Inc.	3.47	14.89	0.51
Taro Pharmaceuticals Inds Ltd	2.25	21.25	0.42
Huntington Ingalls Ind. Inc.	2.32	15.21	0.37
Meritor Inc.	2.24	16.01	0.33
LifePoint Hospitals Inc.	2.61 %	-0.79 %	-0.02 %
Cobalt Int'l Energy Inc.	0.57	-4.22	-0.03
Geo Group Inc.	1.94	-5.46	-0.10
Matson Inc.	2.46	-7.06	-0.11
NRG Energy Inc.	1.98	-7.26	-0.16

Trading Data

Major Buy(Sell) *New buy/final sell	+/-
Matson Inc.	0.9%
Platinum Underwriters Hlds Ltd	0.6%
Geo Group Inc.	0.5%
Masonite Intl Corp.	0.5%
(McDermott International Inc.)	-0.5%
(CNO Financial Group Inc.)	-0.7%
(Huntington Ingalls Ind. Inc.)	-0.7%
(CapLease Inc.)	-0.9% *
(Avis Budget Group Inc.)	-1.0%

Top Ten Stocks - Total Portfolio

	End Wgt
Masonite Intl Corp.	4.6 %
Valassis Communications	4.0
Rent-A-Center Inc.	3.8
First Horizon National Corp.	3.8
Con-Way Inc.	3.7
Arris Group Inc.	3.5
PHH Corp.	3.0
Sonic Automotive Inc.	2.8
Miller Industries Inc.	2.7
Avis Budget Group Inc.	2.6

Performance Attribution

	Portfolio		Russell 2000 Value		Allocation		
	Avg Wgt	Equ. Ret.	Avg Wgt	Equ. Ret.	Sector	Stock	Total
Industrials	29.46 %	6.79 %	13.63 %	5.93 %	0.32	0.24	0.56
Energy	1.60	7.72	7.79	-1.25	0.32	0.16	0.49
Information Technology	8.90	6.90	10.58	4.23	0.00	0.23	0.22
Health Care	7.77	8.44	4.57	9.23	0.17	-0.06	0.11
Telecommunication Services	0.00	0.00	0.58	-3.13	0.04	0.00	0.04
Consumer Staples	0.00	0.00	2.67	2.97	0.03	0.00	0.03
Financials	27.10	4.36	38.96	4.13	-0.03	0.07	0.03
Consumer Discretionary	15.51	5.08	10.49	5.69	0.10	-0.10	-0.01
Utilities	4.34	-2.67	6.15	-0.63	0.08	-0.09	-0.01
Materials	5.33	1.82	4.58	2.56	-0.01	-0.04	-0.05
					1.02	0.40	1.42

Top Ten Industries - Total Portfolio

	End Wgt
Insurance	12.1 %
Commercial Banks	8.2
Specialty Retail	6.7
Road & Rail	6.3
Health Care Prov. & Srvcs	5.5
Metals & Mining	5.3
Machinery	4.9
Building Products	4.6
Media	4.5
Communications Equip.	3.9

Returns are calculated using daily holding information, gross of fees, within Bloomberg. Returns calculated using this buy-and-hold methodology can differ from actual portfolio returns due to intraday trades, cash flows, accrued/miscellaneous income, corporate actions, and trade price and closing price difference of any given security. Russell Investment Group is the source and owner of the Russell Index data contained herein (and all trademarks related thereto), which may not be redistributed. The information herein is not approved by Russell. H&W and Russell sectors are based on the Global Industry Classification Standard by MSCI and Standard and Poor's.

Portfolio Summary

Bay County Employees Ret System
4407N1

Date Run: 01/08/2014
Period Covered: 11/30/2013 to 12/31/2013
Base Currency: USD

Portfolio Composition as of 12/31/2013

	Total USD Market Value	% of Total
Bonds	31,993,263	96.52%
Cash and Equivalents	796,624	2.40%
Accrued Income	357,319	1.08%
Total	33,147,205	100.00%

Statement of Changes

Total Market Value at 11/30/2013	33,147,880
Net Additions/Withdrawals	843
Income Earned	127,545
Portfolio Appreciation/Depreciation	-129,063
Total Market Value at 12/31/2013	33,147,205

Performance Returns (Supervised Assets)

	1Mth	3Mths	YTD	1 YR	3 YRS*	5 YRS*
Total	0.00	1.71	-0.40	-0.40	6.62	10.65
Barclays U.S. Corporate Investment Grade	-0.16	1.11	-1.53	-1.53	5.35	8.03

* - Returns are annualized

^Barclays Credit from 6/30/1999 thru 2/29/2012
Citigroup Broad Inv-Grade (BIG) from 01/31/1997 thru 6/30/1999
Barclays U.S. Corporate Investment Grade from 2/29/2012 thru 12/31/2013

This report is a service provided to customers of Loomis Sayles. It is for informational purposes only. It is not a recommendation to buy or sell securities. Past performance is not a guarantee of future results. Loomis Sayles believe information contained herein is reliable but we do not guarantee its accuracy.

CLIENT	Bay County Employees' Retirement System
ACRONYM	BCSE
DATA AS OF	29 November 2013

PERFORMANCE

	MTD	QTD	Rolling 3 months	YTD	1 Year	3 Year	5 Year	*Since Inception
Bay County Employees' Retirment System (Gross)	2.71	6.77	13.13	33.01	34.33	N/A	N/A	29.76
Bay County Employees' Retirment System (Net)	2.66	6.66	12.96	32.28	33.53	N/A	N/A	28.98
Rusell 1000 Growth Index	2.82	7.37	12.15	29.78	29.74	N/A	N/A	23.98

Spar Returns

* Performance Inception Date: 09/04/2012

The portfolio is actively managed, and current holdings may be different. Past performance is no guarantee of future results.

For more information, please contact the Global Client Service Team at 1.877.960.6077 toll free from the U.S. and Canada or 1.617.954.4001.

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BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

Monthly Report

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November 30, 2013

MACKAY SHIELDS

MACKAY SHIELDS

December 2013

Enclosed please find your portfolio's November, 2013 Investment Summary report. Should you have any questions or comments about this report, your portfolio, or the markets in general, please do not hesitate to call.

Beginning in 2014, MacKay would like to provide your reports through our safe and secure website. All of your monthly and quarterly reports can be easily accessed through the "Client Login" portal found on the gateway page of our website at www.mackayshields.com. Be assured that only you, and others you may authorize, will have direct access to your specific client directory. MacKay will also maintain an archive of your portfolio's statement and reports on the site. Just let us know when you are ready, and we'll get you set-up with password access to your directory.

MacKay Shields values our relationship with you and your organization, and we would welcome any opportunity to be of further assistance.

Sincerely,

Virginia

Virginia Rose

NOVEMBER 2013
OVERVIEW OF MONTHLY PERFORMANCE

MACKAY SHIELDS

MARKET OVERVIEW

The U.S. convertible market, as measured by the BofA Merrill Lynch All Convertible Index, rose 1.88% in November, 2013, while underlying equities climbed 3.60%. During the month, investment-grade convertibles, as measured by the BofA Merrill Lynch Investment Grade Convertible Index, increased 1.48%, underperforming speculative-grade convertibles, which rose 1.70% during the same time period.

The rise in the convertible and equity markets during the month was the product of continued slow growth in the labor market and decent corporate earnings, as well as the belief that the incoming head of the Federal Reserve will continue an accommodative monetary policy. In addition, certain economic indicators in Europe and China have shown surprising strength. Lastly, energy prices, led by crude oil, continued their retreat, which could provide a slight tailwind for economic activity. Given the encouraging economic data reports and the positive returns in the stock market, individual investors appear to finally be showing interest in equities. Retail investor flows into stock mutual funds have finally turned positive, after years of pulling money out of equities in favor of fixed income. We continue to believe that equities and equity-linked securities, such as convertibles, are attractively valued, particularly when compared to the yields on pure fixed income securities, particularly U.S. Treasury and investment-grade bonds. We maintain that in a slow growth environment, at current valuations, convertible bonds and stocks are attractive and should continue to perform well.

Transportation and Healthcare (up 9.10% and 6.70%, respectively) were the best performing sectors during the month. Industrials performed roughly in line with the broad market, rising 1.89%. The remaining sectors lagged over the month, with negative returns coming from the Telecomm, Materials, Energy and Utilities sectors.

Issuance continued to be strong through November. Twenty-one new convertible securities were issued in the U.S. market during the month, raising a total of $9.4 billion. The average convertible new issue offering was $289 million in size. Year-to-date in 2013, approximately $40 billion of new convertibles have been issued.

PERFORMANCE

The convertibles of Gilead Sciences, Micron Technology and Danaher were leading contributors during November 2013. Gilead Sciences rose after the company received a favorable recommendation from an FDA panel related to its submission for approval of Sofosbuvir, a novel therapy for the treatment of Hepatitis C. The FDA is expected to follow the panel's recommendation when it formally approves the drug in December. Micron Technology continues to benefit from strong pricing in memory chips resulting from increasing demand following a rationalization of supply. In addition, David Einhorn, a well-regarded hedge fund manager, mentioned Micron Technologies as one of his favorite picks for the coming year. Danaher Corp. performed well in November after the company reported solid third quarter earnings. Danaher's convertible bonds are very equity-sensitive such that any movement in the company's common stock is reflected in the convertible bonds.

Conversely, exposure to the convertibles bonds of Schlumberger, Chart Industries and Intel weighed on performance during the month. The synthetic Schlumberger convertible bonds were weak in November as investors sold energy-related holdings likely due the decline in the price of crude oil. Investors may be concerned that a further decline in crude oil prices may lead to a reduction in demand for Schlumberger's oilfield products and services. Chart Industries declined after the company reported third quarter earnings, which missed analyst estimates. Chart was a very strong performer for most of 2013, and investors were surprised by the earnings miss. We continue to hold the company's convertible bonds as we believe that the long-term outlook for Chart remains positive. Last, Intel Corp. was weak in November after the company's 2014 earnings guidance was below most investor and analyst forecasts.

NOVEMBER 2013
OVERVIEW OF MONTHLY PERFORMANCE

MACKAY SHIELDS

OUTLOOK

We remain convinced that convertible bonds and equities are undervalued in the current slow growth environment. Given the slowly improving macro economy, and the relatively low rates of interest and inflation, stocks appear inexpensive based on various measures such as price to earnings, price to cash flow, or price to free cash flow. As such, we expect convertible bond and stock prices to be higher in the coming twelve to eighteen months.

The rate of new convertible issuance is its highest level since 2008. We would anticipate the pace to continue, as rising interest rates and record equity price market levels make it once again relatively attractive for companies to raise funds in the convertible market, versus the straight high yield or investment grade bond markets

Convertible bonds remain an excellent vehicle through which to participate in further equity advances. At current 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.

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. 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 document may be reproduced in any form, or referred to in any other publication, without express written permission of MacKay Shields LLC. ©2013, MacKay Shields LLC.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

MACKAY SHIELDS

Portfolio Composition and Performance — Account 1256

November 30, 2013

Composition	Market Value	Percent of Total
Fixed Income	12,730,608	73.88
Equity	2,216,719	12.86
Cash & Equivalents	2,283,672	13.25
Total Portfolio	$17,230,999	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)	1.08%	5.85%	16.09%	17.21%	8.88%	12.74%	89.20%	6.47%
Merrill Lynch Convertible Inv Grade	1.48%	7.92%	23.21%	23.30%	10.29%	13.95%	96.07%	6.84%
ML Convt Inv Grade BDS (Inc Mandatory)	1.48%	6.90%	20.65%	20.73%	10.32%	13.72%	60.70%	4.77%

Expressed in USD

Past performance is not indicative of future results.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

MACKAY SHIELDS

Summary Report — Account 1256

November 30, 2013

	Total Cost	Percent at Cost	Yield at Cost	Market Value	Percent of Assets	Yield at Market	Annual Income
Bonds	10,382,585	85.78	1.77	12,674,925	73.56	1.45	183,299
Stocks	1,720,986	14.22	3.55	2,205,662	12.80	2.77	61,157
Cash & Equivalents	0	0.00		2,283,672	13.25	0.09	2,055
Accrued Income				66,740	0.39		
Total Portfolio	$12,103,570	100.00%	2.02	$17,230,999	100.00%	1.44	$246,511

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Holdings Report — Account 1256

November 30, 2013

Shares or Par Value	Security	Unit Cost	Total Cost	Current Price	Market Value	Percent of Assets	Yield	Annual Income	S & P
Bonds									
228,000	AIRTRAN HOLDINGS INC CONV BOND 5.250 11/01/2016	136.07	310,248	168.81	384,893	2.23	3.11	11,970	BBB-
37,000	ALCOA INC CONV BOND 5.250 03/15/2014	100.00	37,000	150.19	55,570	0.32	3.50	1,943	BBB-
451,000	ALLEGHENY TECHNOLOGIES CONV BOND REG 4.250 06/01/2014	116.52	525,524	104.31	470,449	2.73	4.07	19,168	BBB-
690,000	ALZA CORP CONV BOND 07/28/2020	81.14	559,876	130.63	901,313	5.23	0.00	0	AAA
303,000	APOLLO INVESTMENT CORP REG CONV BOND 5.750 01/15/2016	100.49	304,499	106.75	323,453	1.88	5.39	17,423	BBB
292,000	ARES CAPITAL CORP REG CONV BOND 5.750 02/01/2016	106.39	310,648	108.38	316,455	1.84	5.31	16,790	BBB
68,000	BLUCORA INC 144A 4.250 04/01/2019	100.23	68,156	148.38	100,895	0.59	2.86	2,890	NR
169,000	CHART INDUSTRIES INC 2.000 08/01/2018	135.55	229,072	156.25	264,063	1.53	1.28	3,380	B+
147,000	CORNERSTONE ONDEMAND INC 144A 1.500 07/01/2018	115.85	170,293	117.69	173,001	1.00	1.27	2,205	NR
109,000	CUBIST PHARMACEUTICALS 144A 1.125 09/01/2018	100.00	109,000	113.00	123,170	0.71	1.00	1,226	NR
177,000	CUBIST PHARMACEUTICALS 144A 1.875 09/01/2020	100.00	177,000	112.38	198,904	1.15	1.67	3,319	NR
419,000	DANAHER CORP CNV BND REG 01/22/2021	101.16	423,870	217.56	911,587	5.29	0.00	0	A+
412,000	EMC CORP CONV BOND REG 1.750 12/01/2014	139.96	576,637	148.32	611,091	3.55	1.18	7,210	NR
240,000	GILEAD SCIENCES INC CONV BOND REG 1.000 05/01/2014	107.86	258,864	331.31	795,150	4.61	0.30	2,400	A-
138,000	HELIX ENERGY SOLUTIONS CONV BOND REG 3.250 03/15/2032	116.45	160,704	120.19	165,859	0.96	2.70	4,485	NR
443,000	INTEL CORP CONV BND REG 2.950 12/15/2035	100.57	445,514	108.75	481,763	2.80	2.71	13,069	A-
493,000	INTEL CORP CONV BOND 3.250 08/01/2039	125.25	617,485	127.94	630,734	3.66	2.54	16,023	A-
359,000	INTL GAME TECHNOLOGY REG CONV BND 3.250 05/01/2014	115.44	414,421	105.25	377,848	2.19	3.09	11,668	BBB
118,000	KB HOME REG 1.375 02/01/2019	104.79	123,655	99.31	117,189	0.68	1.38	1,623	B
82,000	MICROCHIP TECHNOLOGY CONV BOND REG 2.125 12/15/2037	136.31	111,773	168.94	138,529	0.80	1.26	1,743	NR
120,000	MICRON TECHNOLOGY INC CONV BOND 144A 1.625 02/15/2033	125.63	150,758	199.19	239,025	1.39	0.82	1,950	BB-
291,000	NEWMONT MINING CONV BND REG 1.625 07/15/2017	121.45	353,418	103.88	302,276	1.75	1.56	4,729	BBB
48,000	NUANCE COMMUNICATIONS CONV BOND REG 2.750 11/01/2031	106.17	50,962	96.00	46,080	0.27	2.86	1,320	BB-
493,000	OMNICOM GROUP INC 07/31/2032	111.66	550,486	129.88	640,284	3.72	0.00	0	BBB+
553,000	PRICELINE.COM INC CONV BOND REG 1.000 03/15/2018	113.18	625,877	140.88	779,039	4.52	0.71	5,530	BBB
149,000	RTI INTERNATIONAL METALS REG 1.625 10/15/2019	103.90	154,805	107.63	160,361	0.93	1.51	2,421	NR
48,000	RYLAND GROUP REG 0.250 06/01/2019	100.00	48,000	91.06	43,710	0.25	0.27	120	BB-
556,000	SCHLUMBERGER 05/05/2015	136.47	758,773	154.92	861,355	5.00	0.00	0	NR
113,000	SHUTTERFLY INC 144A 0.250 05/15/2018	106.89	120,788	104.38	117,944	0.68	0.24	283	NR
180,000	TELEFLEX INC CONV BOND REG 3.875 08/01/2017	101.42	182,550	165.13	297,225	1.72	2.35	6,975	BB-
597,000	TEVA PHARMACEUTICALS CONV BOND 0.250 02/01/2026	112.35	670,730	107.31	640,656	3.72	0.23	1,493	A-
72,000	WABASH NATIONAL CORP CONV BOND 3.375 05/01/2018	121.62	87,568	130.81	94,185	0.55	2.58	2,430	NR
511,000	WELLPOINT INC 2.750 10/15/2042	101.68	519,573	137.88	704,541	4.09	1.99	14,053	A-

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

MACKAY SHIELDS

Holdings Report — Account 1256

November 30, 2013

Shares or Par Value	Security	Unit Cost	Total Cost	Current Price	Market Value	Percent of Assets	Yield	Annual Income	S & P
Bonds (Continued)									
132,000	XILINX INC 2.625 06/15/2017	131.86	174,059	156.31	206,333	1.20	1.68	3,465	BBB+
			10,382,585		12,674,925	73.56	1.45	183,299	BB+
Stocks									
99	BANK OF AMERICA 7.250%	830.69	82,238	1,075.00	106,425	0.62	6.74	7,178	BB+
2,100	CLIFFS NATURAL RESOURCES	25.00	52,500	21.96	46,116	0.27	0.00	0	NR
2,100	GOODYEAR TIRE & RUBBER	51.28	107,691	62.92	132,132	0.77	4.67	6,170	NR
1,000	HEALTH CARE REIT 6.500 CNV PFD	50.00	50,000	53.91	53,906	0.31	6.03	3,250	BB+
1,000	MAIDEN HOLDINGS CNVPFD	50.00	50,000	50.37	50,370	0.29	0.00	0	NR
900	POST HOLDINGS INC 144A	100.00	90,000	121.63	109,467	0.64	0.00	0	NR
5,200	STANLEY BLACK & DECKER I CONV PFD UNITS	108.87	566,110	124.98	649,896	3.77	4.29	27,872	NR
6,700	UNITED TECHNOLOGIES CORP CONV PFD	56.54	378,846	65.36	437,912	2.54	2.87	12,563	BBB+
550	WELLS FARGO & COMPANY 7.500%	624.73	343,600	1,126.25	619,438	3.59	0.67	4,125	BBB+
			1,720,986		2,205,662	12.80	2.77	61,157	B
Cash & Equivalents									
	UNITED STATES DOLLAR 0.0900	0.00	2,283,672	1.00	2,283,672	13.25	0.09	2,055	AAA
			2,283,672		2,283,672	13.25	0.09	2,055	AAA
	Accrued Income				66,740	0.39			
Total Portfolio			$14,387,242		$17,230,999	100.00%	1.44	$246,511	BBB-

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

MACKAY SHIELDS

Purchases Report — Account 1256

Month Ending November 30, 2013

Trade Date	Quantity (Units)	Security Description	Average Cost	Total Cost
Purchases				
11/14/13 - 11/18/13	43,000	HELIX ENERGY SOLUTIONS CONV BOND REG 3.250 3/15/2032	125.18	53,829.41
Total Purchases				$53,829.41

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ConvergEx Group
Execution Solutions

Recapture Services

Bay County Employees Retirement System by Trade Date

Ref#: 23803

Directed Commission Summary

January 01, 2013 through November 30, 2013

Plan Sponsor	Revenue Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
GRAND TOTAL														

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Commission Recapture Client Services : 800-992-7526, crpclientservices@convergex.com

This statement represents trades through Trade Date November 30, 2013 for all US transactions and upon information provided to us to date from our Global Correspondent Network for all non-US transactions
PLEASE CHECK YOUR STATEMENTS FOR ACCURACY AND REPORT ANY INACCURACIES TO RECAPTURE SERVICES.

ConvergEx Group

Execution Solutions

Recapture Services

Bay County Employees Retirement System

Plan Trading Summary (US Dollars)

January 01, 2013 - November 30, 2013

Ref#: 23803

Manager		Current Month Commissions	Current Month Credits	Year-To-Date Commissions	Year-To-Date Credits
Revenue Type: Equity					
Columbia Management Advisors, LLC		0.00	0.00	2,543.24	1,780.27
Denver Invmt Advisors		0.00	0.00	0.00	0.00
Eagle Asset Management		109.18	76.43	1,117.56	782.29
Eagle Asset Management	Execution	0.00	0.00	146.57	0.00
Geneva Capital Management Ltd		0.00	0.00	2,282.36	1,597.65
Geneva Capital Management Ltd	Events	0.00	0.00	33.16	23.21
Hotchkis & Wiley		0.00	0.00	0.00	0.00
MFS Investment Management Co.		0.00	0.00	0.00	0.00
WHV Investment Management		0.00	0.00	2,583.92	1,808.74
Totals for Equity		**109.18**	**76.43**	**8,706.81**	**5,992.17**
Revenue Type: Correspondent Equity					
Baring Asset Management Ltd.		39.19	27.43	173.26	121.28
Baring Asset Management Ltd.	Corrsp Broker	13.06	0.00	37.20	0.00
Integrity Asset Management		0.00	0.00	1,392.48	974.74
Integrity Asset Management	Corrsp Broker	0.00	0.00	497.92	0.00
Totals for Correspondent Equity		**52.25**	**27.43**	**2,100.86**	**1,096.02**
Revenue Type: International Correspondent					
Baring Asset Management Ltd.		244.58	183.44	2,548.99	1,911.74
Baring Asset Management Ltd.	Corrsp Broker	349.99	0.00	3,056.53	0.00
Schroder Investment Management Ltd		0.00	0.00	0.00	0.00
Totals for International Correspondent		**594.58**	**183.44**	**5,605.52**	**1,911.74**
Grand Totals		**756.01**	**287.30**	**16,413.19**	**8,999.93**

Commission Recapture Sales : Kimberly Doran, 212.468.7701, kdoran@convergex.com

Transition Management Sales : Kimberly Doran, 212.468.7701, kdoran@convergex.com

Commission Recapture Client Services : 800-992-7526, crpclientservices@convergex.com

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PLEASE CHECK YOUR STATEMENTS FOR ACCURACY AND REPORT ANY INACCURACIES TO RECAPTURE SERVICES.

ConvergEx Group
Execution Solutions

Recapture Services

Bay County Employees Retirement System

Plan Activity Summary and Balance

January 01, 2013 - November 30, 2013

Ref#: 23803

Summary by Revenue Type

Revenue Type	Month to Date		Year to Date	
	Commissions	Credits	Commissions	Credits
Equity	109.18	76.43	8,673.65	5,968.96
Correspondent Equity	39.19	27.43	1,565.74	1,096.02
Correspondent Broker Fees	13.06	0.00	535.12	0.00
International Correspondent	244.58	183.44	2,548.99	1,911.74
Correspondent Broker Fees	349.99	0.00	3,056.53	0.00
Fixed Income	0.00	0.00	0.00	0.00
12B-1 fees	0.00	0.00	0.00	0.00
Events	0.00	0.00	33.16	23.21
Adjustments	0.00	0.00	0.00	0.00
No Credit	0.00	0.00	0.00	0.00
TOTAL	**756.01**	**287.30**	**16,413.19**	**8,999.93**

Account Balance

Month	Commissions	Credits	Adjustments	Payments	Month Ending
Prior Year CR or DB	0.00	0.00			2,682.15
January 2013	179.68	97.13	0.00	2,682.15	97.13
February 2013	1,265.84	761.64	0.00	0.00	858.77
March 2013	2,248.20	1,242.56	0.00	0.00	2,101.33
April 2013	3,229.04	2,125.12	0.00	2,101.33	2,125.12
May 2013	2,299.09	1,313.65	0.00	0.00	3,438.77
June 2013	465.01	220.27	0.00	0.00	3,659.03
July 2013	1,376.36	765.08	0.00	3,659.03	765.08
August 2013	1,146.99	405.88	0.00	0.00	1,170.97
September 2013	1,022.87	504.87	0.00	0.00	1,675.83
October 2013	2,424.10	1,276.43	0.00	1,675.83	1,276.44
November 2013	756.01	287.30	0.00	0.00	1,563.73
December 2013	0.00	0.00			
TOTAL	**16,413.19**	**8,999.93**	**0.00**	**10,118.34**	
				Current Balance	**1,563.73**

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Commission Recapture Sales : Kimberly Doran, 212.468.7701, kdoran@convergex.com

Transition Management Sales : Kimberly Doran, 212.468.7701, kdoran@convergex.com

Commission Recapture Client Services : 800-992-7526, crpclientservices@convergex.com

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PLEASE CHECK YOUR STATEMENTS FOR ACCURACY AND REPORT ANY INACCURACIES TO RECAPTURE SERVICES.

SL Custom - Scorecards

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Nov 1, 2013 To Nov 30, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 1799220					
ACCOUNT NAME : BAYCO- BARINGS					
CURRENCY : USD					
OPEN CASH	0.00	0.00	0.00	87.27	87.27
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	87.27	87.27
TOTAL REBATES	0.00	0.00	0.00	-7.94	-7.94
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	95.21	95.21
BANK FEES	0.00	0.00	0.00	37.89	37.89
NET INCOME	0.00	0.00	0.00	57.32	57.32
ACCOUNT NUMBER : 2608694					
ACCOUNT NAME : *BAYCO - COLUMBIA MANAGEMENT					
CURRENCY : USD					
OPEN CASH	0.00	1,965.16	0.00	0.00	1,965.16
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,965.16	0.00	0.00	1,965.16
TOTAL REBATES	0.00	-143.04	0.00	0.00	-143.04
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,108.20	0.00	0.00	2,108.20
BANK FEES	0.00	842.98	0.00	0.00	842.98
NET INCOME	0.00	1,265.22	0.00	0.00	1,265.22

SL Custom - Scorecards

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Nov 1, 2013 To Nov 30, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2618668					
ACCOUNT NAME : *BAYCO - BAIRD -SL					
CURRENCY : USD					
OPEN CASH	2,151.55	0.00	0.00	0.00	2,151.55
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	2,151.55	0.00	0.00	0.00	2,151.55
TOTAL REBATES	847.22	0.00	0.00	0.00	847.22
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	1,304.33	0.00	0.00	0.00	1,304.33
BANK FEES	521.62	0.00	0.00	0.00	521.62
NET INCOME	782.71	0.00	0.00	0.00	782.71
ACCOUNT NUMBER : 2622490					
ACCOUNT NAME : *BAYCO - MACKAY SHIELDS -SL					
CURRENCY : USD					
OPEN CASH	1,166.94	35.26	0.00	3.60	1,205.80
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	1.69	0.00	0.00	0.00	1.69
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	1,168.63	35.26	0.00	3.60	1,207.49
TOTAL REBATES	-1,256.49	-1.74	0.00	-1.41	-1,259.64
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	2,425.12	37.00	0.00	5.01	2,467.13
BANK FEES	969.63	14.71	0.00	1.98	986.32
NET INCOME	1,455.49	22.29	0.00	3.03	1,480.81

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SL Custom - Scorecards

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Nov 1, 2013 To Nov 30, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2622536					
ACCOUNT NAME : *BAYCO - HOTCHKIS & WILEY -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,212.55	0.00	185.50	1,398.05
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	25.22	0.00	0.00	25.22
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,237.77	0.00	185.50	1,423.27
TOTAL REBATES	0.00	-153.98	0.00	-33.85	-187.83
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,391.75	0.00	219.35	1,611.10
BANK FEES	0.00	554.93	0.00	87.40	642.33
NET INCOME	0.00	836.82	0.00	131.95	968.77
ACCOUNT NUMBER : 2641401					
ACCOUNT NAME : *BAYCO - LOOMIS SAYLES -SL					
CURRENCY : USD					
OPEN CASH	1,258.41	0.00	493.12	0.00	1,751.53
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	1,258.41	0.00	493.12	0.00	1,751.53
TOTAL REBATES	-113.94	0.00	-52.97	0.00	-166.91
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	1,372.35	0.00	546.09	0.00	1,918.44
BANK FEES	548.23	0.00	218.11	0.00	766.34
NET INCOME	824.12	0.00	327.98	0.00	1,152.10

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2649057					
ACCOUNT NAME : *BAYCO GENEVA CAPITAL MGMT -SL					
CURRENCY : USD					
OPEN CASH	0.00	2,235.36	0.00	34.36	2,269.72
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	2,235.36	0.00	34.36	2,269.72
TOTAL REBATES	0.00	-221.29	0.00	-2.39	-223.68
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,456.65	0.00	36.75	2,493.40
BANK FEES	0.00	982.04	0.00	14.67	996.71
NET INCOME	0.00	1,474.61	0.00	22.08	1,496.69
ACCOUNT NUMBER : 2653308					
ACCOUNT NAME : *BAYCO - INTEGRITY -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,929.97	0.00	94.16	2,024.13
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,929.97	0.00	94.16	2,024.13
TOTAL REBATES	0.00	-801.14	0.00	-10.25	-811.39
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,731.11	0.00	104.41	2,835.52
BANK FEES	0.00	1,091.54	0.00	41.71	1,133.25
NET INCOME	0.00	1,639.57	0.00	62.70	1,702.27

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2663296					
ACCOUNT NAME : *BAYCO - CORNERSTONE REALES-SL					
CURRENCY : USD					
OPEN CASH	0.00	1,204.96	0.00	0.00	1,204.96
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,204.96	0.00	0.00	1,204.96
TOTAL REBATES	0.00	-93.38	0.00	0.00	-93.38
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,298.34	0.00	0.00	1,298.34
BANK FEES	0.00	517.83	0.00	0.00	517.83
NET INCOME	0.00	780.51	0.00	0.00	780.51
ACCOUNT NUMBER : 2683854					
ACCOUNT NAME : *BAYCO - MFS INVESTMENTS -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,918.56	0.00	239.61	2,158.17
TERM CASH	0.00	8.74	0.00	0.00	8.74
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,927.30	0.00	239.61	2,166.91
TOTAL REBATES	0.00	-257.74	0.00	-60.47	-318.21
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,185.04	0.00	300.08	2,485.12
BANK FEES	0.00	873.18	0.00	119.91	993.09
NET INCOME	0.00	1,311.86	0.00	180.17	1,492.03

SL Custom - Scorecards

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Nov 1, 2013 To Nov 30, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2695063					
ACCOUNT NAME : *BAYCO - EAGLE ASSET -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,471.89	0.00	28.50	1,500.39
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	148.05	0.00	0.00	148.05
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,619.94	0.00	28.50	1,648.44
TOTAL REBATES	0.00	-399.43	0.00	-27.50	-426.93
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,019.37	0.00	56.00	2,075.37
BANK FEES	0.00	805.13	0.00	22.27	827.40
NET INCOME	0.00	1,214.24	0.00	33.73	1,247.97
ACCOUNT NUMBER : BYC03					
ACCOUNT NAME : BAYCO- BARINGS					
CURRENCY : USD					
OPEN CASH	0.00	0.00	0.00	34.02	34.02
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
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	34.02	34.02
TOTAL REBATES	0.00	0.00	0.00	-8.77	-8.77
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	42.79	42.79
BANK FEES	0.00	0.00	0.00	17.11	17.11
NET INCOME	0.00	0.00	0.00	25.68	25.68

SL Custom - Scorecards

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Nov 1, 2013 To Nov 30, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
GRAND TOTAL					
CURRENCY : USD					
OPEN CASH	4,576.90	11,973.71	493.12	707.02	17,750.75
TERM CASH	0.00	8.74	0.00	0.00	8.74
NON CASH	1.69	173.27	0.00	0.00	174.96
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	4,578.59	12,155.72	493.12	707.02	17,934.45
TOTAL REBATES	-523.21	-2,071.74	-52.97	-152.58	-2,800.50
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	5,101.80	14,227.46	546.09	859.60	20,734.95
BANK FEES	2,039.48	5,682.34	218.11	342.94	8,282.87
NET INCOME	3,062.32	8,545.12	327.98	516.66	12,452.08

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Although this report has been prepared using information believed to be reliable, it may contain information provided by third parties or derived from third party information, and/or information that may have been obtained from, categorized or otherwise reported based upon client direction. The Northern Trust Company does not guarantee the accuracy, timeliness or completeness of any such information. The information included in this report is intended to assist clients with their financial reporting needs, but you must consult with your accountants, auditors and/or legal counsel to ensure your accounting and financial reporting complies with applicable laws, regulations and accounting guidance. The Northern Trust Company and its affiliates shall have no responsibility for the consequences of investment decisions made in reliance on information contained in this report.

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REFUNDS: FOR THE MONTH ENDED: December 31, 2013

EMPLOYEE/BENEFICIARY	CONTRIBUTIONS	PROCESSED	DEPARTMENT	TERMINATION
Dwyer, Jacqueline	12,138.62	12/202014	BABH	8/23/13

TOTAL REFUNDS: 12,138.62

NEW RETIREE	CONTRIBUTIONS TRANSFERRED	RETIREMENT GROUP/ COUNTY DEPT	EFFECTIVE DATE
Plachta, Thomas	9,909.83	GENERAL BCAMPS-ISD GENERAL-NON REP	11/15/2013
Bergevin, Dennis	63,090.22	CIRCUIT COURT	11/30/2013
Govitz, Dawn	$12,113.90	BABH GENERAL-INCENTIVE	11/22/2013
Kindel, Sandra	$34,863.50	BABH GENERAL-INCENTIVE	11/22/2013
Langholz, John	$58,067.32	BABH GENERAL-INCENTIVE	11/23/2013
Scherzer, Benjamin	137,151.05	DWS	12/14/2013

DECEASED EMPLOYEE/ RETIREE	BENEFICIARY	REFUND/ PENSION	DATE OF DEATH	DIVISION/ DEPARTMENT
Ouellette, Vicki	Dennis Ouellette (benef deceased)	Pension reverts to Straight Life (pop-up)	11/4/2013	GENERAL
Kurzer, Allan	Yes - surviving spouse	100% Survivor Option B100	12/10/2013	ROAD COMMISSION
Manyen, Donald	Yes - surviving spouse	100% Survivor Option B100	12/14/2013	ROAD COMMISSION
McCarty, Joan	No	Straight Life	12/23/2013	GENERAL
Felske, Donald	Yes - surviving spouse	100% Survivor Option B100	12/30/2013	GENERAL

NO REFUNDS EMPLOYEE NAME	ACCUMULATED CONTRIBUTIONS	UNION GROUP	DATE TERMINATED
BIGELOW, BROOK	316.65	BMCF	1/8/2013
CAMPAU, ERIN	1,761.47	BMCF	1/8/2013
FURTAW, SARAH	385.44	BMCF	11/15/13
JOHNSON, LINDSEY	290.04	BMCF	11/18/13

2,436.95

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
7310 RETIREMENT SYSTEM FUND							
73127400 RETIREMENT BOARD							
RA FUND BALANCE, NET AS							
73127400 40001 FUNDBALNCE	0	0	.00	.00	.00	.00	.0%
73127400 40003 FBRSV/DESG	0	0	.00	.00	.00	.00	.0%
73127400 40004 NETASTSRSV	3,757,669	3,710,929	.00	.00	.00	3,710,929.00	.0%
TOTAL FUND BALANCE, NET AS	3,757,669	3,710,929	.00	.00	.00	3,710,929.00	.0%
RJ LOCAL UNIT CONTRIBUT							
73127400 59401 ERCON BABH	-1,000,000	-1,000,000	-224,833.94	.00	.00	-775,166.06	22.5%*
73127400 59402 ERCON MOSQ	0	0	-11,879.02	.00	.00	11,879.02	100.0%
73127400 59403 ERCON H.F.	0	0	-51,588.76	.00	.00	51,588.76	100.0%
73127400 59404 ER CON R.C	-540,000	-540,000	-102,105.09	.00	.00	-437,894.91	18.9%*
73127400 59406 ER CON LIB	-130,000	-130,000	-28,411.78	.00	.00	-101,588.22	21.9%*
73127400 59407 ER CON G.C	0	0	-5,339.24	.00	.00	5,339.24	100.0%
73127400 59408 ER CON G.F	0	0	-419,969.11	.00	.00	419,969.11	100.0%
73127400 59409 ERCON DWS	0	0	-81,653.75	.00	.00	81,653.75	100.0%
73127400 59410 ER CON 911	0	0	-39,660.79	.00	.00	39,660.79	100.0%
73127400 59411 ER CON C.F	0	0	-37,290.13	.00	.00	37,290.13	100.0%
73127400 59412 EMPRCONDOA	0	0	-39,835.44	.00	.00	39,835.44	100.0%
73127400 59413 EMPRCONRET	0	0	-1,660.65	.00	.00	1,660.65	100.0%
73127400 59414 EMPRCONTHS	0	0	-2,119.67	.00	.00	2,119.67	100.0%
73127400 59415 EMPRCONGMF	0	0	-1,896.22	.00	.00	1,896.22	100.0%
73127400 59416 EMPRCONHRF	0	0	-71.63	.00	.00	71.63	100.0%
73127400 59418 EMRCON100%	0	0	-3,000.46	.00	.00	3,000.46	100.0%
73127400 59419 EMPRCONMCF	-650,000	-650,000	-185,056.41	.00	.00	-464,943.59	28.5%*
73127400 59424 EMPRCONSIF	0	0	-337.77	.00	.00	337.77	100.0%
73127400 59427 EMRCNCMCOR	0	0	-2,598.33	.00	.00	2,598.33	100.0%
73127400 59429 EMPRCONFOC	0	0	-2,220.93	.00	.00	2,220.93	100.0%
73127400 59430 EMPRCONHSG	0	0	-4,889.31	.00	.00	4,889.31	100.0%
73127400 59434 EMPLERCCFO	0	0	-245.46	.00	.00	245.46	100.0%
73127400 59499 EMRCONBCSD	0	0	.00	.00	.00	.00	.0%
73127400 59501 EMPECNBABH	-510,000	-510,000	-104,830.78	.00	.00	-405,169.22	20.6%*

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 59502 EMPLECONMC	-12,500	-12,500	-11,457.22	.00	.00	-1,042.78	91.7%*
73127400 59503 EMPLECONHF	-60,000	-60,000	-49,681.71	.00	.00	-10,318.29	82.8%*
73127400 59504 EMPLECONRC	-120,000	-120,000	-11,877.74	.00	.00	-108,122.26	9.9%*
73127400 59506 EMPLECNLIB	-75,000	-75,000	-11,491.11	.00	.00	-63,508.89	15.3%*
73127400 59507 EMPLECONGC	-4,800	-4,800	-5,147.07	.00	.00	347.07	107.2%
73127400 59508 EMPLECONGF	-405,000	-405,000	-412,727.82	.00	.00	7,727.82	101.9%
73127400 59509 EMPECONDWS	-83,801	-83,801	-23,719.31	.00	.00	-60,081.69	28.3%*
73127400 59510 EMPECON911	-64,000	-64,000	-53,720.85	.00	.00	-10,279.15	83.9%*
73127400 59511 EMPECONCCF	-42,500	-42,500	-35,956.70	.00	.00	-6,543.30	84.6%*
73127400 59512 EMPECONDOA	-50,500	-50,500	-38,381.16	.00	.00	-12,118.84	76.0%*
73127400 59513 EMPECONRTR	-1,600	-1,600	-1,602.94	.00	.00	2.94	100.2%
73127400 59514 EMPEECONHS	0	0	-2,117.74	.00	.00	2,117.74	100.0%
73127400 59515 EMPLECONGM	0	0	-1,828.02	.00	.00	1,828.02	100.0%
73127400 59516 EMPECONHRF	-180	-180	-69.04	.00	.00	-110.96	38.4%*
73127400 59518 EMPECN100%	-2,800	-2,800	-2,894.13	.00	.00	94.13	103.4%
73127400 59519 EMPECONMCF	-350,000	-350,000	-88,621.27	.00	.00	-261,378.73	25.3%*
73127400 59524 EMPECONSIF	-400	-400	-329.37	.00	.00	-70.63	82.3%*
73127400 59527 EMECNCMCOR	0	0	-2,508.61	.00	.00	2,508.61	100.0%
73127400 59529 EMPECONFOC	-2,850	-2,850	-2,139.72	.00	.00	-710.28	75.1%*
73127400 59530 EMPECONHSG	-4,000	-4,000	-4,721.79	.00	.00	721.79	118.0%
73127400 59534 EMPLEECCFO	0	0	-234.48	.00	.00	234.48	100.0%
73127400 59599 EMPECNBCSD	-245,000	-245,000	-65,508.67	.00	.00	-179,491.33	26.7%*
TOTAL LOCAL UNIT CONTRIBUT	-4,354,931	-4,354,931	-2,178,231.14	.00	.00	-2,176,699.86	50.0%
RP INTEREST & RENTALS							
73127400 66400 INVINTRDIV	-5,000,000	-5,000,000	-530,572.33	.00	.00	-4,469,427.67	10.6%*
73127400 66500 INVTSLGAIN	-15,000,000	-15,000,000	-6,802,960.31	.00	.00	-8,197,039.69	45.4%*
73127400 66501 UNRLZDGAIN	-3,000,000	-3,000,000	.00	.00	.00	-3,000,000.00	.0%*
73127400 66502 EXCHNGGAIN	-40,000	-40,000	-6,739.65	.00	.00	-33,260.35	16.8%*
73127400 66600 SECRTYEARN	-300,000	-300,000	-36,952.45	.00	.00	-263,047.55	12.3%*
TOTAL INTEREST & RENTALS	-23,340,000	-23,340,000	-7,377,224.74	.00	.00	-15,962,775.26	31.6%
RR OTHER REVENUE							
73127400 67104 MISC_REV	0	0	.00	.00	.00	.00	.0%
73127400 67600 RMBURSEMNT	0	0	.00	.00	.00	.00	.0%
73127400 67601 RMBINDVIDL	0	0	.00	.00	.00	.00	.0%

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FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 68900 TRADE-IN	0	0	.00	.00	.00	.00	.0%
73127400 69000 COMMRECAPT	-25,000	-25,000	-2,682.15	.00	.00	-22,317.85	10.7%*
73127400 69200 CLMSETLJDG	-150,000	-150,000	-12,293.37	.00	.00	-137,706.63	8.2%*
TOTAL OTHER REVENUE	-175,000	-175,000	-14,975.52	.00	.00	-160,024.48	8.6%
XE WAGES & SALARIES							
73127400 70300 SALARY E/A	44,635	44,635	25,426.76	.00	.00	19,208.24	57.0%
73127400 70500 TEMP HELP	0	11,600	8,837.64	.00	.00	2,762.36	76.2%
73127400 70501 WAGES PT	7,135	7,135	7,369.28	.00	.00	-234.28	103.3%*
73127400 70600 OVERTIME	2,809	2,809	128.26	.00	.00	2,680.74	4.6%
73127400 70800 HOLIDAYPAY	0	0	1,512.33	.00	.00	-1,512.33	100.0%*
73127400 71000 PER DIEM	3,420	3,420	2,715.00	.00	.00	705.00	79.4%
73127400 71200 VACTIONPAY	0	0	3,227.78	.00	.00	-3,227.78	100.0%*
73127400 71202 SICK PAY	0	0	577.17	.00	.00	-577.17	100.0%*
73127400 71203 TERMSCKPAY	0	0	2,500.00	.00	.00	-2,500.00	100.0%*
73127400 71204 TERMVACPAY	0	0	4,791.70	.00	.00	-4,791.70	100.0%*
TOTAL WAGES & SALARIES	57,999	69,599	57,085.92	.00	.00	12,513.08	82.0%
XF FRINGES							
73127400 71500 SOCSECURTY	3,784	4,672	3,969.98	.00	.00	702.02	85.0%
73127400 71600 HEALTH INS	15,401	15,401	10,896.66	.00	.00	4,504.34	70.8%
73127400 71603 RETHLTHCAR	0	0	.00	.00	.00	.00	.0%
73127400 71632 EINCENTIVE	200	200	.00	.00	.00	200.00	.0%
73127400 71700 LIFE INS	114	114	94.64	.00	.00	19.36	83.0%
73127400 71800 RETIREMENT	3,683	3,683	3,122.51	.00	.00	560.49	84.8%
73127400 71900 OTHRFRINGE	469	469	.00	.00	.00	469.00	.0%
73127400 72001 SIF ADMIN	89	109	92.35	.00	.00	16.65	84.7%
73127400 72100 WORKERCOMP	757	926	793.88	.00	.00	132.12	85.7%
73127400 72200 SCK&ACDINS	295	295	249.86	.00	.00	45.14	84.7%
73127400 72500 UNEMPLOYMN	281	344	293.58	.00	.00	50.42	85.3%
TOTAL FRINGES	25,073	26,213	19,513.46	.00	.00	6,699.54	74.4%
XI SUPPLIES							
73127400 72700 OFFICE SUP	1,000	1,000	655.29	.00	.00	344.71	65.5%

FOR 2013 13

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 72702	BOOKSUPPLY	0	0	210.00	.00	.00	-210.00	100.0%*
73127400 72800	PRNT&BIND	750	750	204.78	.00	.00	545.22	27.3%
73127400 72900	POSTAGE	250	250	301.95	.00	.00	-51.95	120.8%*
73127400 73000	MAG&PERDCL	600	600	.00	.00	.00	600.00	.0%
73127400 73301	COPY/FXSUP	250	250	.00	.00	.00	250.00	.0%
73127400 74200	FOODSUPPLY	150	150	88.64	.00	.00	61.36	59.1%
73127400 74700	PHO/MFMSUP	0	0	.00	.00	.00	.00	.0%
73127400 75100	COMPSUPLY	1,000	1,000	436.47	.00	.00	563.53	43.6%
TOTAL SUPPLIES		4,000	4,000	1,897.13	.00	.00	2,102.87	47.4%
XL OTHER SERVICES AND C								
73127400 80100	PROFESSNL	1,500,000	1,500,000	1,209,100.77	.00	.00	290,899.23	80.6%
73127400 80101	ACTUARIAL	40,000	40,000	59,475.00	.00	.00	-19,475.00	148.7%*
73127400 80200	CONTRACTL	0	0	.00	.00	.00	.00	.0%
73127400 81200	MEDICALSRV	0	0	.00	.00	.00	.00	.0%
73127400 81400	INVST/BANK	230,000	230,000	52,271.50	.00	.00	177,728.50	22.7%
73127400 81700	LEGAL FEES	7,500	7,500	502.50	.00	.00	6,997.50	6.7%
73127400 81900	CONSULTANT	125,000	125,000	140,000.00	.00	.00	-15,000.00	112.0%*
73127400 82000	MBRSHPDUES	550	550	960.00	.00	.00	-410.00	174.5%*
73127400 82900	FILINGFEES	250	250	.00	.00	.00	250.00	.0%
73127400 83500	HEALTHSERV	2,500	2,500	.00	.00	.00	2,500.00	.0%
73127400 85200	TELEPHONE	420	420	182.72	.00	.00	237.28	43.5%
73127400 86100	CNFFEES/EX	9,200	9,200	6,319.58	.00	.00	2,880.42	68.7%
73127400 86500	STRAVLMILE	2,000	2,000	4.53	.00	.00	1,995.47	.2%
73127400 86600	LCLTRVMILE	300	300	77.78	.00	.00	222.22	25.9%
73127400 87500	PENSIONPAY	11,500,000	11,500,000	3,222,665.00	.00	.00	8,277,335.00	28.0%
73127400 90000	PRT/PUB/AD	500	500	149.00	.00	.00	351.00	29.8%
73127400 90100	LEGALNOTIC	1,000	1,000	.00	.00	.00	1,000.00	.0%
73127400 93100	EQUIPMTR&M	400	400	.00	.00	.00	400.00	.0%
73127400 94601	EQPRNTCOPY	5,000	5,000	979.67	.00	.00	4,020.33	19.6%
73127400 95500	MISC	500	500	.00	.00	.00	500.00	.0%
73127400 95600	IDC_EXP	126,570	126,570	126,570.00	.00	.00	.00	100.0%
73127400 96000	EDUCA/TRNG	500	500	.00	.00	.00	500.00	.0%
73127400 96200	ASSETDISLS	10,000,000	10,000,000	1,582,146.24	.00	.00	8,417,853.76	15.8%
73127400 96201	URZDLSSINV	0	0	.00	.00	.00	.00	.0%
73127400 96203	LOSSFRCURX	100,000	100,000	7,703.75	.00	.00	92,296.25	7.7%
73127400 96401	CONTRREFGN	75,000	75,000	24,895.99	.00	.00	50,104.01	33.2%
73127400 96402	CNTRRFBCSD	25,000	25,000	.00	.00	.00	25,000.00	.0%
73127400 96403	CONTRREFRC	25,000	25,000	.00	.00	.00	25,000.00	.0%
73127400 96404	CONTRREMCF	75,000	75,000	.00	.00	.00	75,000.00	.0%

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 96405 CNTRRFBABH	100,000	100,000	46,404.10	.00	.00	53,595.90	46.4%
73127400 96406 CNTRRFDWS	10,000	10,000	.00	.00	.00	10,000.00	.0%
73127400 96407 CONTRRFLIB	25,000	25,000	.00	.00	.00	25,000.00	.0%
73127400 96500 INS/BONDS	22,000	22,000	20,434.50	.00	.00	1,565.50	92.9%
73127400 96730 MACH/EQPEX	0	0	.00	.00	.00	.00	.0%
73127400 96740 OEQPFURNEX	0	0	.00	.00	.00	.00	.0%
73127400 96741 COMPHARDEX	0	0	.00	.00	.00	.00	.0%
73127400 96742 COMPSOFTEX	0	0	.00	.00	.00	.00	.0%
73127400 96770 BOOK EXP	0	0	.00	.00	.00	.00	.0%
73127400 96999 BUD REDUCE	0	0	.00	.00	.00	.00	.0%
TOTAL OTHER SERVICES AND C	24,009,190	24,009,190	6,500,842.63	.00	.00	17,508,347.37	27.1%
XQ CAPITAL OUTLAY							
73127400 98001 COMP SOFT	16,000	50,000	8,000.00	.00	8,000.00	34,000.00	32.0%
TOTAL CAPITAL OUTLAY	16,000	50,000	8,000.00	.00	8,000.00	34,000.00	32.0%
TOTAL RETIREMENT BOARD	0	0	-2,983,092.26	.00	8,000.00	2,975,092.26	100.0%
TOTAL RETIREMENT SYSTEM FUND	0	0	-2,983,092.26	.00	8,000.00	2,975,092.26	100.0%
TOTAL REVENUES	-24,112,262	-24,159,002	-9,570,431.40	.00	.00	-14,588,570.60	
TOTAL EXPENSES	24,112,262	24,159,002	6,587,339.14	.00	8,000.00	17,563,662.86	
GRAND TOTAL	0	0	-2,983,092.26	.00	8,000.00	2,975,092.26	100.0%

** END OF REPORT - Generated by Kim Priessnitz **

DRAFT

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

POLICY RESOLUTION

Adopted: DRAFT

Re: Service Provider Disclosures

WHEREAS, the Board of Trustees ("Board") is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, and

WHEREAS, the Board recognizes that it is subject to the provisions of the Public Employee Retirement System Investment Act, (Michigan Public Act 314 of 1965, as amended), wherein the Board is required to act as a prudent investor in all transactions related to Retirement System funds and assets by discharging its duties solely in the interests of the participants and beneficiaries and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered, and

WHEREAS, in light of its fiduciary responsibility, the Board recognizes that it is in the best interests of the Retirement System and its participants and beneficiaries to retain the services of qualified professional service providers, including, but not limited to: investment consultants, investment managers, investment banks/brokers, custodians, actuaries, auditors, attorneys, administrators, and physicians to assist in and oversee the investments and administration of the Retirement System, and

WHEREAS, the Board is aware of the various disclosure requirements and "pay-to-play" restrictions imposed on its current and prospective service providers under the provisions of Act 314 and applicable federal law, and

WHEREAS, the Board is required to withhold payment from service providers who violate the "pay-to-play" provisions of Act 314 and applicable federal law, and

WHEREAS, several of the Retirement System's professional service providers qualify as "service providers" and/or "investment service providers" as that term is defined under Act 314, and

WHEREAS, the term "service provider" is defined in Act 314 as "a person retained to provide services to a system and includes investment advisers, consultants, custodians, accountants, auditors, attorneys, actuaries, administrators, and physicians. Service provider includes an investment service provider as defined in Section 13(7). Service provider does not include a regulated investment adviser", and

WHEREAS, the term "investment service provider" is defined under Act 314 as "any individual, third-party agent or consultant, or other entity that received direct or indirect compensation for consulting, investment management, brokerage, or custody services related to the system's assets", and

WHEREAS, the Board is desirous of establishing a formal disclosure policy applicable to appropriate service providers in order to monitor said service providers' compliance with Act 314 and other applicable laws, therefore be it

RESOLVED, that every year in the month of _____, the Board shall require each of its current "investment service providers" to disclose in writing all fees or other compensation associated with its relationship with the Retirement System for the previous [fiscal/calendar] year, as required under Section 13(7) of Act 314 [MCL 38.1133(7)], by submission of the attached Fee Disclosure Form, and further

RESOLVED, that prior to the transfer of any Retirement System assets to a prospective "investment service provider", the prospective "investment service provider" shall be required to disclose all fees or other compensation to be associated with its relationship to the Retirement System through completion and submission of the Compensation Disclosure Form to the Board, and further

RESOLVED, that every year in the month of _____, the Board shall require all of its service providers to acknowledge that they are in compliance with Section 13e of Act 314 [MCL 38.1133e] and/or Rule 206(4)-5 under the Investment Advisers Act of 1940 in the case of a regulated investment adviser, and further

RESOLVED, that that any service provider's failure or refusal to complete and submit either of the Retirement System's disclosure forms shall be deemed a violation of the requirements of Act 314 and this Policy, and shall result in appropriate action by the Board, including the possible suspension of payment for services rendered and/or termination of the service provider's relationship with the Retirement System, and further

RESOLVED, that all services providers shall have an ongoing requirement to monitor all political contributions and, upon becoming aware of a violation, immediately disclose to the Board any and all political contributions that violate the restrictions of Section 13e of Act 314 and/or Rule 206(4)-5 under the Investment Advisers Act of 1940 in the case of a regulated investment adviser, including the date of the contribution, the name of the contributor, the name of the recipient, and the amount of the contribution, and further

RESOLVED, that copies of this Policy shall be provided to all Retirement System service providers who shall be required to act in accordance with said Policy.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

COMPENSATION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133(7)
This form must be submitted to the Board of Trustees
no later than 28 days following its receipt by the Investment Service Provider.

I. Investment Service Provider Information

Company Name:_____
Address:_____
City:_____ State:_____ Zip:_____

The undersigned, being duly authorized to execute on behalf of the aforenamed company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the Retirement System's Service Provider Disclosure Policy.

_____ _____
Signature Date

_____ _____
Printed Name Title

II. Reporting Period

From:_____ To:_____

III. Compensation Disclosure (All fees/compensation associated with your relationship to the Retirement System)

A. Direct Compensation (Compensation paid directly from the Plan)

Amount:_____
Manner of receipt (invoice, direct deduction, etc.):_____

B. Indirect Compensation (Compensation associated with your relationship to the Retirement System received from any source other than the Plan, your affiliates or subcontractors)

Amount:_____
Payer:_____
Manner of receipt:_____
Services to which such compensation relates:_____

C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g., commissions, 12b-1 fees, soft-dollars, finder's fees, or other similar incentive compensation)

Amount:_____
Payer:_____
Recipient:_____

D. Total

Amount:_____

*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Compensation Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the Retirement System's Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the Retirement System.

(A copy of Act 314, as amended is available at http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965)

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

POLITICAL CONTRIBUTION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133e
This form must be submitted to the Board of Trustees
no later than 28 days following its receipt by the Service Provider.

I. Service Provider Information

Company Name:_____
Address:_____
City:_____ State:_____ Zip:_____

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the Retirement System's Service Provider Disclosure Policy.

II. Reporting Period

From:_____ **To:**_____

III. Compliance Certification

The aforenamed Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1965, as amended (MCL 38.1133e) as of the date indicated below.

☐ YES ☐ NO

_____ _____
Signature Date

_____ _____
Printed Name Title

The aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors Act of 1940, as amended, as of the date indicated below.

☐ YES ☐ NO

_____ _____
Signature Date

_____ _____
Printed Name Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the Retirement System's Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the Retirement System.

(A copy of Act 314, as amended is available at http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965)

DRAFT

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

POLICY RESOLUTION

Adopted: DRAFT

Re: Code of Conduct

WHEREAS, the Bay County Employees Retirement System ("Retirement System") provides pension benefits to retirees in accordance with the provisions of the Retirement Ordinance, as amended, applicable collective bargaining agreements, and applicable state and federal laws, and

WHEREAS, the Board of Trustees ("Board") is vested with the general administration, management, and operation of the Retirement System, and has a fiduciary responsibility to make decisions solely in the interest of plan members and beneficiaries, and

WHEREAS, the Board recognizes that it is subject to the provisions of the Public Employee Retirement System Investment Act, Michigan Public Act 314 of 1965, as amended, wherein the Board is required to act as a prudent investor in all transactions related to Retirement System funds and assets by discharging its duties solely in the interests of the participants and beneficiaries and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered, and

WHEREAS, the Board recognizes that in order for the members and beneficiaries of the Retirement System to have the best representation by their elected and appointed Trustees, it is imperative for the representatives of the Retirement System to participate in Board business, including Board meetings, continuing education programs, and due diligence evaluations of current and potential investments, and

WHEREAS, the Board recognizes that, consistent with its fiduciary duty and liability, it is necessary and appropriate for Retirement System representatives to attend Board meetings and educational seminars/conferences so that the Board may be made aware of developments regarding Retirement System administration, and so that the Board may further become aware of how persons acting in a like capacity administer their respective retirement systems, and

WHEREAS, the Board further recognizes that, consistent with its fiduciary duties, it is necessary to conduct regular due diligence on each current and prospective manager and consultant engaged by the Board in the ordinary course of business, and

WHEREAS, due to the fiduciary responsibilities entrusted to the Board, all Retirement System representatives are encouraged to participate in meetings of the Board and maintain the highest standards of conduct and ethics above the minimum requirements of applicable law and policy, and

WHEREAS, the Board desires to state its policy with regard to Trustee conduct and ethics therefore be it

RESOLVED, that each and every member of the Board shall diligently attend to the business of the Retirement System and shall not leave to other Board members control over the administration of the affairs of the Board and Retirement System, and further

RESOLVED, that Board members shall conduct official and private affairs so as to avoid giving rise to a reasonable conclusion that he or she can be improperly influenced in the performance of his or her public duty or that he or she is using his or her position on the Board to further his or her own financial interests, and further

RESOLVED, Board members shall not do any of the following:

(a) accept or solicit any gift, favor, or service that may reasonably tend to influence a trustee in the discharge of official duties or that the trustee knows, or should know, is being offered with the intent to influence the trustee's official conduct;

(b) accept other employment or compensation that could reasonably be expected to impair the trustee's independence of judgment in the performance of the trustee's official duties;

(c) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the trustee's official powers or for having performed the trustee's official duties in favor of another;

(d) transact any business in the trustee's official capacity with any entity or person in which the trustee has an economic interest;

(e) appear before the Board of Trustees while acting as an advocate for their personal behalf or of any other person, group, or entity;

(f) represent any business entity before the Board of Trustees, for pay;

(g) use the position as a trustee to secure a special privilege or exemption for the trustee or others, or to secure confidential information for any purpose other than official duties; and

(h) intentionally or knowingly disclose any confidential information gained by reason of the trustee's position concerning the property operations, policies or affairs of the Board of Trustees, or use such confidential information for pecuniary gain,

and further

RESOLVED, that Board members shall provide fair and equal treatment to all persons and matters coming before the Board, and further

RESOLVED, that Board members are expected to and may provide general information to Plan members, however, Board members shall also be aware of the risk of communicating inaccurate information to plan members (both active members and retirees), and the possible harm to a plan member that may result from any such miscommunications, and further

RESOLVED, that Board members shall mitigate the risk of miscommunication with plan members by refraining from providing specific detail, advice or counsel with respect to the rights or benefits to which a plan member may be entitled, and where explicit advice or counsel is needed, Board members will refer inquiries to the appropriate designee, and further

RESOLVED that the Board shall make this policy resolution available to the appropriate County, Union, and Departmental Representatives.

Client Consent

Becker, Burke Associates, Inc. ("BBA") has entered an agreement pursuant to which its business will be acquired by Bogdahn Consulting, LLC ("Bogdahn"). Bogdahn is an investment consultant registered with the SEC, and the transaction will not cause any interruption in BBA's service model to existing clients. Closing is expected to occur the first week of January, 2014.

BBA's employees will become employees of Bogdahn, and you will continue to be serviced by the people you know and trust at BBA. BBA is confident that the continuation of BBA's business under the Bogdahn name will increase the excellent level of service BBA has strived to provide.

The transaction between Bogdahn and BBA will result in an assignment of BBA's assets to Bogdahn. Your investment advisory contract with BBA may not, however, be assigned by BBA unless you consent. For that reason, BBA requests that you consent to the assignment. To simplify the giving and obtaining of the consent, we ask that you sign and date this notice in the space provided below and return a signed copy to BBA at 225 West Wacker Drive, Suite 400, Chicago, Illinois 60606. Also, please call us if you have any questions.

We are confident in the level of services you will receive and the enhanced resources that will be brought to this relationship by the collective firms. We look forward to working with you.

Becker, Burke Associates, Inc.

Howard Pohl, President

Client Consent:

The undersigned ("Client") consents to the assignment of its agreement with BBA (the "Contract") to Bogdahn. In order to comply with current SEC requirements, Client also consents and agrees that effective immediately, the Contract is amended by the addition of a new paragraph, which reads as follows: "Assignment. No assignment of this Contract may be made by the investment adviser without Client's consent."

Client: _____

Signature: _____

Printed name: _____

Title: _____

Date: _____

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING
515 CENTER AVENUE, SUITE 706
BAY CITY, MICHIGAN 48708-5128

Thomas L. Hickner
Bay County Executive

Crystal Hebert
Finance Officer/Secretary

BOARD OF TRUSTEES
Steven Gray, Chairperson
Richard Brzezinski
Ann Carpenter
Kim Coonan
Tom Herek
Jon Morse
Shari Peltier
Matthew Pett
Thomas Starkweather

ADMINISTRATIVE STAFF
Danean Wright
Tiffany Jerry
(989) 895-4030
TDD (989) 895-4049
FAX (989) 895-4113

December 12, 2013

Ms. Cindy Luczak
Bay County Clerk
515 Center Avenue
Bay City, MI 48708

Dear Cindy:

Enclosed please find the resolution approved by the Retirement Board of Trustees at their meeting on December 10, 2013. The Board resolved to follow Section XIX of the Trustee Election Rules, which states if only one candidate has filed, it shall be at the discretion of the Board of Trustees to not proceed with the election and deem the candidate to be elected by a vote of at least five (5) concurring votes. Effective January 1, 2014 - December 31, 2016, Kristal Zielinski shall be the Retirement Board representative for employee group 2 - the Bay Medical Care Facility and Matthew Pett shall be the Retirement Board representative for employee group 3 - Sheriff Department/Library employees

Sincerely,

Sue Gansser

Sue Gansser
Interim Retirement Administrator

cc: Tim Quinn
Crystal Hebert

RESOLUTION

12/10/2013
BY: BAY COUNTY RETIREMENT BOARD OF TRUSTEES

WHEREAS, An election was scheduled to be held on December 10, 2013 for representatives of employee Groups 2 and 3; and

WHEREAS, Kristal Zielinski was the only candidate to file for the position representing Group 2 by the stated deadline of November 12, 2013 at 4:00 P.M..; and

WHEREAS, Matthew Pett was the only candidate to file for the position representing Group 3 by the stated deadline of November 12, 2013 at 4:00 P.M.; and

WHEREAS, This resulted in only one candidate running for each open position; and

WHEREAS, The Bay County Clerk has checked the nominating petitions of the candidates to verify that the signatures contained therein are those of the eligible members of the candidate's employee group; and

WHEREAS, Section XIX of the Trustee Election Rules states if only one candidate has filed, it shall be at the discretion of the Board of Trustees to not proceed with the election and deem the candidates to be elected by a vote of at least five (5) concurring votes; Therefore Be It

RESOLVED, That effective January 1, 2014, Kristal Zielinski shall be deemed to be elected to the position of Retirement Board of Trustee representative for employee Group 2 and Matthew Pett shall be deemed to be elected to the position of Retirement Board of Trustee representative for employee Group 3, both for the term January 1, 2014 through December 31, 2016.

Brzezinski	Yea X	Nay ___	Abstain ___	Absent ___
Coonan	Yea X	Nay ___	Abstain ___	Absent ___
Gray	Yea X	Nay ___	Abstain ___	Absent ___
Herek	Yea X	Nay ___	Abstain ___	Absent ___
Morse	Yea X	Nay ___	Abstain ___	Absent ___
~~Peltier~~ Gromaski	Yea X	Nay ___	Abstain ___	Absent ___
Pett	Yea ___	Nay ___	Abstain X	Absent ___
Starkweather	Yea X	Nay ___	Abstain ___	Absent ___
Vacant	Yea ___	Nay ___	Abstain ___	Absent ___

G:\TIFFANY\SUE SEPT 2013\TRUSTEE ELECTION 12-2013\Resolution - No Election 2013.wpd

NOTICE OF PUBLIC MEETINGS

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 **2014**. ALL MEETINGS WILL BE HELD AT **1:30 P.M. (*except as noted)** IN THE **BOARD OF COMMISSIONERS CHAMBERS**, LOCATED IN THE BAY COUNTY BUILDING, 515 CENTER AVENUE, **4TH FLOOR**, BAY CITY, MI 48708.

*JANUARY 14, 2014 at 10:00 A.M.
JANUARY 14, 2014 AT 1:30 P.M.
FEBRUARY 11, 2014
MARCH 11, 2014
APRIL 8, 2014
* APRIL 24, 2014 - 8:30 A.M.
MAY 13, 2014
JUNE 10, 2014
JULY 8, 2014
AUGUST 12, 2014
SEPTEMBER 9, 2014
OCTOBER 14, 2014
* OCTOBER 23, 2014 - 8:30 A.M.
NOVEMBER 12, 2014
DECEMBER 9, 2014

12/12/2013
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: Martha P. Fitzhugh, ADA Coordinator, Office of Corporation Counsel, 515 Center Avenue, Suite 402, Bay City, MI 48708, (989) 895-4131 or (989) 895-4049. TDD

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