

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, FEBRUARY 10, 2015 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

PAGE	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 12	A.	JANUARY 13, 2015
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
	A.	THE BOGDAHN GROUP - 4 TH QUARTER REPORT 2014
	B.	MONTHLY REPORTS - No. 2015-5
13 - 15	1.	PORTFOLIO VALUE - 1/1/15 - 1/31/2015
16	2.	CHANGE IN BOOK AND MARKET VALUE - 12/31/2014
	3.	MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
	a.	NONE
17 - 24	4.	MONEY MANAGER REPORTS
	a.	CORNERSTONE - ENDING 12/31/2014 & QUARTERLY REPORT ENDING 12/31/2014
	b.	EAGLE ASSET MGMT - ENDING 12/31/2014
	c.	GENEVA CAPITAL QUARTERLY PROXY REPORT -ENDING 12/31/2014
	d.	HOTCHKIS & WILEY - QUARTER ENDING 12/31/2014 and QUARTERLY PROXY VOTING REPORT ENDING 12/31/2014
	e.	INTEGRITY ASSET MANAGEMENT QUARTERLY REPORT - ENDING 12/31/2014
	f.	MFS INVESTMENT - ENDING 12/31/2014, QUARTERLY ENDING 12/31/2014 and QUARTERLY PROXY VOTING REPORT ENDING 12/31/2014
	g.	MFS HERITAGE TRUST - ENDING 12/31/2014, QUARTERLY REPORT ENDING 12/31/2014, AND QUARTERLY PROXY VOTING REPORT ENDING 12/31/2014
	h.	MACKAY SHIELDS - QUARTERLY REPORT ENDING 12/31/2014
	i.	SCHRODERS - ENDING 12/31/2014 AND QUARTERLY REPORT ENDING 12/31/2014

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TUESDAY, FEBRUARY 10, 2015 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

- 75 - 83 5. RECAPTURE SERVICES
 - a. ABEL/NOSER - SUMMARY ENDING 12/31/2014
 - b. CAPIS - SUMMARY ENDING 12/31/2014

- 84 - 89 6. NORTHERN TRUST
 - a. SUMMARY EARNINGS - ENDING

- 90 7. REFUNDS/RETIREMENTS ENDING 1/31/2015

- 91 - 96 8. BCERS YTD BUDGET REPORT - ENDING 1/31/2015

- 97 9. APPROVED EXPENSES - ENDING 1/31/2015

- 98 - 129 C. THE BOGDAHN GROUP
 - 1. CONSENT TO CHANGE IN INTERNAL CONTROL No. 2015-6
 - 2. BAY COUNTY IPS AND AMENDMENT

- 130 -135 D. CORPORATION COUNSEL
 - 1. RECEIVE AMENDMENT TO BAY COUNTY EMPLOYEE'S RETIREMENT SYSTEM ORDINANCE - DEPT WATER & SEWER No. 2015-7

- 136 - 143 E. CORRESPONDENCE - COMMISSION RECAPTURE LETTERS
 - 1. EAGLE ASSET
 - 2. COLUMBIA
 - 3. GENEVA
 - 4. INTEGRITY
 - 5. ATALANTA SOSNOFF
 - 6. SCHRODERS
 - 7. HOTCHKIS & WILEY
 - 8. MFS INVESTMENT & MFS HERITAGE TRUST

- 144 - 145 F. NON-DUTY DISABILITY RETIREMENT - TIM HENIKA NO. 2015- 8

- 146 - 148 G. CONTINUING EDUCATION - REBECCA MARSTERS
 - 1. CPM COURSE - SVSU

VI. ANNOUNCEMENTS

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, FEBRUARY 10, 2015 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

- A. NEXT REGULAR MEETING - MARCH 10, 2015 AT 1:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4TH FLOOR, BAY CITY, MI 48708
- 149 - 150 B. MAPERS - SPRING ONE DAY SEMINAR FRIDAY, MARCH 13, 2015, AT THE SOMERSET INN IN TROY, MICHIGAN STARTING AT 8:00 A.M. (PLEASE CONTACT REBECCA IF YOU WISH TO ATTEND)

VII. UNFINISHED BUSINESS

- 151 A. CORRESPONDENCE FROM GABRIEL ROEDER SMITH
 - 1. EMAIL ADDRESSING QUESTION POSED BY TRUSTEE STARKWEATHER AT THE JAN 13, 2015 MEETING REGARDING ACTUARIAL TABLES.

*GABRIEL ROEDER SMITH WILL BE AT THE MARCH BOARDMEETING AND WILL ADDRESS ANY FOLLOW-UP QUESTIONS.

VIII. NEW BUSINESS

IX. MISCELLANEOUS BUSINESS

X. ADJOURNMENT

**BAY COUNTY RETIREMENT BOARD
2/10/2015
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

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

1. PORTFOLIO VALUE - 1/1/15 - 1/31/15
2. CHANGE IN BOOK AND MARKET VALUE - 1/31/15
3. MONEY MANAGERS ON WATCH - NONE
4. MONEY MANAGER REPORTS
 - a. CORNERSTONE - ENDING 12/31/2014 & QUARTERLY REPORT ENDING 12/31/2014
 - b. EAGLE ASSET MGMT - ENDING 12/31/2014
 - c. GENEVA CAPITAL QUARTERLY PROXY REPORT -ENDING 12/31/2014
 - d. HOTCHKIS & WILEY - QUARTER ENDING 12/31/2014 & QUARTERLY PROXY VOTING REPORT ENDING 12/31/2014
 - e. INTEGRITY ASSET MANAGEMENT QUARTERLY REPORT - ENDING 12/31/2014
 - f. MFS INVESTMENT - ENDING 12/31/2014, QUARTERLY ENDING 12/31/2014 & QUARTERLY PROXY VOTING REPORT ENDING 12/31/2014
 - g. MFS HERITAGE TRUST - ENDING 12/31/2014, QUARTERLY REPORT ENDING 12/31/2014, & QUARTERLY PROXY VOTING REPORT ENDING 12/31/2014
 - h. MACKAY SHIELDS - QUARTERLY REPORT ENDING 12/31/2014
 - i. SCHRODERS - ENDING 12/31/2014 & QUARTERLY REPORT ENDING 12/31/2014
5. RECAPTURES SERVICES
 - a. ABEL/NOSER - SUMMARY ENDING 12/31/14
 - b. CAPIS - SUMMARY ENDING 12/31/14
6. NORTHERN TRUST SUMMARY EARNINGS - 1/31/15
7. REFUNDS/RETIREMENTS -ENDING 1/31/15
8. BCERS YTD BUDGET REPORT - ENDING 1/31/15
9. APPROVED EXPENSES - 1/31/15

STEVE GRAY, CHAIR
AND BOARD

MONTHLY REPORTS FEBRUARY

MOVED BY TRUSTEE _____

SUPPORTED BY TRUSTEE _____

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

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____
 Voice: X Yeas 5 Nays 0 Excused 4
 Disposition: Adopted X Defeated _____ Withdrawn _____
 Amended _____ Corrected _____ Referred _____

BAY COUNTY RETIREMENT BOARD

2/10/15

RESOLUTION

BY: BAY COUNTY RETIREMENT BOARD

WHEREAS, effective January 1, 2015, a transaction was completed whereby Joe Bogdahn transferred the majority ownership position in Bogdahn Consulting, LLC, D/B/A The Bogdahn Group to Mike Welker.

WHEREAS, over the next several years, their goal is to broaden the ownership of the firm amongst the employees.

WHEREAS, The firm will remain employee-owned and 100% independent. There will be no change in firm personnel or the investment consulting process.

WHEREAS, The change in internal control constitutes assignment of Bay County Employees' Retirement System's investment consulting agreement to the revised employee ownership group.

WHEREAS, This change in internal ownership structure meets the definition of an assignment of our investment advisory contract under SEC rules, which requires BCERS consent.

RESOLVED That the Bay County Retirement Board approve the Client Consent and Acceptance Agreement.

RESOLVED That the Chairman of the Board is authorized to execute the Client Consent and Acceptance Agreement on behalf of the Bay County Retirement Board following legal review/approval.

STEVE GRAY, CHAIR
AND BOARD

CONSENT TO CHANGE INTERNAL CONTROL THE BOGDAHN GROUP

MOVED BY TRUSTEE Starkweather

SUPPORTED BY TRUSTEE Herek

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

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____

Voice: X Yeas 5 Nays 0 Excused 4

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

BAY COUNTY RETIREMENT BOARD

2/10/15

RESOLUTION

BY: BAY COUNTY RETIREMENT BOARD

WHEREAS, The attached memorandum and resolutions are being proposed to the Board of Commissioners as an amendment to the Bay County Employees' Retirement System Ordinance by the Department of Water and Sewer.

RESOLVED That this Board receive this amendment at the meeting scheduled February 10, 2015.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION RECEIVE RETIREMENT ORDINANCE AMENDMENT DWS

MOVED BY TRUSTEE Herek

SUPPORTED BY TRUSTEE Pett

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

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____

Voice: X Yeas 5 Nays 0 Excused 4

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

**BAY COUNTY RETIREMENT BOARD
2/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (2/10/15)

WHEREAS, An application for a non-duty disability was received from Mr. Tim Henika.
 WHEREAS, All required documents have been filed with the Retirement Office.
 WHEREAS, Bay County Medical Director, Dr. Kirk Herrick, D.O. has reviewed all medical records and other pertinent information regarding this application.
 WHEREAS, It is Dr. Herrick's professional opinion that Mr. Henika is no longer able to perform the duties of his occupation.
 RESOLVED That this Board approve this non-duty disability application.

STEVE GRAY, CHAIR
AND BOARD

NON-DUTY DISABILITY TIM HENIKA

MOVED BY TRUSTEE Herek

SUPPORTED BY TRUSTEE Pett

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

Vote Totals:

Roll Call: Yeas 5 Nays 0 Excused 4
 Voice: X Yeas 5 Nays 0 Excused 4

Disposition: Adopted X Defeated Withdrawn
 Amended Corrected Referred

**BAY COUNTY RETIREMENT BOARD
2/10/15
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (2/10/15)

WHEREAS, An opportunity to enroll in the Certified Public Manager class was presented to Retirement Administrator

WHEREAS, Rebecca Marsters is new to public sector employment prior to Bay County and class would provide valuable training for position as Retirement Administrator

RESOLVED That this Board approve Rebecca Marsters to attend CPM course through SVSU and payment of course.

STEVE GRAY, CHAIR
AND BOARD

CONTINUING EDUCATION REBECCA MARSTERS

MOVED BY TRUSTEE Pett

SUPPORTED BY TRUSTEE Herek

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

Vote Totals:

Roll Call: Yeas 5 Nays 0 Excused 4
 Voice: X Yeas 5 Nays 0 Excused 4

Disposition: Adopted X Defeated Withdrawn
 Amended Corrected Referred

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

MEETING DATE: FEBRUARY 10, 2015

MOTION MOVED BY: TRUSTEE STARKWEATHER

MOTION SUPPORTED BY: TRUSTEE MORSE

MOTION NO.: 14

Moved, supported and carried to approve the minutes, as printed, from the January 13, 2015 meeting.

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

Vote Totals:

Roll Call: Yeas 5 Nays 0 Excused 4
 Voice: XX Yeas 5 Nays 0 Excused 4

Disposition: Adopted X Defeated Withdrawn
 Amended Corrected Referred

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

MEETING DATE: FEBRUARY 10, 2015

MOTION MOVED BY: TRUSTEE HEREK

MOTION SUPPORTED BY: TRUSTEE PETT

MOTION NO.: 15

Moved, supported and carried to receive the report from The Bogdahn Group

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

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____
 Voice: XX Yeas 5 Nays 0 Excused 4

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

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

MEETING DATE: FEBRUARY 10, 2015

MOTION MOVED BY: TRUSTEE PETT

MOTION SUPPORTED BY: TRUSTEE HEREK

MOTION NO.: 16

Moved, supported and carried to receive the Bay County IPS and amendment.

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

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused __ __
 Voice: XX Yeas 5 Nays 0 Excused 4

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

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

MEETING DATE: FEBRUARY 10, 2015

MOTION MOVED BY: TRUSTEE HEREK

MOTION SUPPORTED BY: TRUSTEE PETT

MOTION NO.: 18

Moved, supported and carried to adjourn the meeting at 2:37 p.m.

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

Vote Totals:

Roll Call: Yeas 5 Nays 0 Excused 4
 Voice: SS Yeas 5 Nays 0 Excused 4

Disposition: Adopted X Defeated Withdrawn
 Amended Corrected Referred