

BAY COUNTY RETIREMENT BOARD OF TRUSTEES  
 AGENDA  
 TUESDAY, FEBRUARY 13, 2018 @ 1:30 P.M.  
 COMMISSIONERS CHAMBERS  
 515 CENTER AVENUE - 4<sup>TH</sup> FLOOR  
 BAY CITY, MI 48708

Pages	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 -5 . . . . .	A.	JANUARY 9, 2018
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
	A.	<u>ANDCO CONSULTING 4Q 2017 REPORT</u>
6 - 8 . . . . .	B.	MONTHLY REPORTS - RES NO.: 2018-4
	1.	PORTFOLIO VALUE - 1/1/18 - 1/31/18
	2.	CHANGE IN NET ASSETS - 1/31/18
	3.	MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
	a.	NONE
	4.	MONEY MANAGER REPORTS
	a.	BAIRD - ENDING 12/31/17
	b.	BARINGS - ENDING 12/31/17
	c.	COLUMBIA - ENDING 12/31/17; 4Q 2017
	d.	EAGLE ASSET MGMT - ENDING 12/31/17
	e.	GENEVA - ENDING 12/31/17; AND 4Q 2017
9 - 69 . . . . .	f.	HOTCHKIS & WILEY - ENDING 4Q 2017
	g.	INTEGRITY - ENDING 12/31/17; 4Q 2017
	h.	LOOMIS SAYLES - ENDING 12/31/17; 4Q 2017
	i.	MFS INVESTMENT - ENDING 12/31/17; 4Q 2017; PROXY VOTING REPORTS 4Q 2017
	j.	MFS HERITAGE TRUST - ENDING 4Q 2017; PROXY VOTE REPORT 4Q 2017 (AVAILABLE UPON REQUEST)
	k.	MACKAY SHIELDS - ENDING 12/31/17
	l.	PGIM - ENDING 4Q 2017
	m.	SCHRODERS - ENDING 12/31/17
	5.	RECAPTURE SERVICES
	a.	ABEL/NOSER - ENDING 12/31/17
70- 72 . . . . .	b.	CAPIS - SUMMARY ENDING 12/31/17

BAY COUNTY RETIREMENT BOARD OF TRUSTEES  
AGENDA  
TUESDAY, FEBRUARY 13, 2018 @1:30 P.M.  
**COMMISSIONERS CHAMBERS**  
**515 CENTER AVENUE – 4<sup>TH</sup> FLOOR**  
**BAY CITY, MI 48708**

- |                    |  |
|--------------------|--|
| 73 – 75 . . . . .  | 6. NORTHERN TRUST  |
|                    | a. SUMMARY EARNINGS - ENDING 12/31/17  |
| 76 . . . . .       | 7. REFUNDS/RETIREMENTS ENDING 1/31/18  |
| 77 - 86 . . . . .  | 8. BCERS YTD BUDGET REPORT – ENDING 12/31/17<br>& 1/31/18  |
| 87 . . . . .       | 9. INVOICES APPROVED – 1/31/18   |
| 88 – 92 . . . . .  | C. SUPPLEMENTAL ACTUARIAL VALUATION BAY COUNTY<br>MEDICAL CARE FACILITY (RECEIVE)  |
| 93 – 97 . . . . .  | D. INTEREST RATE OF 4% ON ACCUMULATED<br>CONTRIBUTIONS RES NO. 2018-5 (APPROVE)  |
| 98 . . . . .       | E. CORRESPONDENCE PGIM – NEW EXECUTIVE DIRECTOR<br>TO LEAD IMPACT ORIENTED REAL ESTATE INVESTMENT<br>INITIATIVES. (RECEIVE)  |
| 99 – 102 . . . . . | F. CORRESPONDENCE – COMERICA, COLUMBIA, EAGLE,<br>AND INTEGRITY RE: ASSET REALLOCATION TO RAISE<br>CASH BAY CO (RECEIVE)   |
| 103 . . . . .      | G. NON-DUTY DISABILITY RETIREMENT APPLICATION<br>MATTHEW NEAL GENERAL GROUP – RES NO: 2018-6<br>(APPROVE)  |
|                    | VI. ANNOUNCEMENTS  |
|                    | A. NEXT REGULAR MEETING - MARCH 13, 2018 AT 1:30 P.M.,<br>COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4 <sup>TH</sup><br>FLOOR, BAY CITY, MI 48708                   |
| 104 . . . . .      | B. MAPERS ONE DAY SEMINAR FRIDAY, MARCH 2, 2018 AT<br>THE SOMERSET INN IN TROY, MICHIGAN. PLEASE<br>CONTACT KATIE MEETH FOR REGISTRATION IF YOU<br>WISH TO ATTEND. |
|                    | VII. UNFINISHED BUSINESS   |
|                    | VIII. NEW BUSINESS   |
|                    | IX. MISCELLANEOUS BUSINESS   |
|                    | X. ADJOURNMENT   |

ACTION TAKEN BY BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BOARD

DATE OF BOARD MEETING: FEBRUARY 13, 2018

PAGE: 1

MOTION/ INTRODUCED/  
RES. NO. SUBMITTED BY SUBJECT OF RESOLUTION/MOTION ADOPTED AMENDED CORRECTED DEFEATED REFERRED TABLED WITHDRAWN

Motion									
9	HEREK	Excuse Trustee Morse	xx						
10	GROMASKI	Approve minutes Jan 9 2018	xx						
11	HEREK	Receive AndCo 4Q report	xx						
12	PETT	Receive Supplemental Actuarial Valuation BMCF	xx						
13	RYDER	Receive correspondence PGIM	xx						
14	GROMASKI	Receive correspondence Comerica, Columbia, Eagle and Integrity asset reallocation	xx						
15	HEREK	Attendance of NCPERS conference							XX
16	HEREK	Adjourn meeting	xx						
<b>Res. No.</b>									
2018-4	BOARD	February monthly reports	xx						
2018-5	BOARD	Approve 4% interest rate on accumulated contributions	xx						
2018-6	BOARD	Refer non-duty disability retirement application of Matthew Neal to the Medical Director	xx						

**BAY COUNTY RETIREMENT BOARD  
02/13/2018  
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

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

1. PORTFOLIO VALUE - 1/1/18 -1/31/18
2. CHANGE IN BOOK AND MARKET VALUE -1/31/18
3. MONEY MANAGERS ON WATCH - NONE
4. MONEY MANAGER REPORTS
  - a. BAIRD – ENDING 4Q 2017
  - a. BARINGS - ENDING 12/31/17; 4Q 2017
  - b. COLUMBIA – ENDING 12/31/17; 4Q 2017
  - c. EAGLE ASSET MGMT - ENDING 12/31/17
  - d. GENEVA - ENDING 12/31/17; 4Q 2017
  - e. HOTCHKIS & WILEY – 4Q 2017
  - f. INTEGRITY – ENDING- 12/31/17; 4Q 2017
  - g. LOOMIS SAYLES – ENDING 4Q 2017
  - h. MFS INVESTMENT - ENDING 12/31/17; 4Q 2017; PROXY VOTING REPORT 4Q
  - i. MFS HERITAGE TRUST - ENDING 12/31/17; 4Q 2017
  - j. MACKAY SHIELDS - ENDING 12/31/17
  - k. PGIM – ENDING 4Q 2017
  - l. SCHRODERS - ENDING 12/31/17
5. RECAPTURE SERVICES
  - a. ABEL/NOSER - SUMMARY ENDING 12/31/17
  - b. CAPIB - SUMMARY ENDING 12/31/17
6. NORTHERN TRUST SUMMARY EARNINGS -1/31/18
7. REFUNDS/RETIREMENTS –ENDING1/31/18
8. BCERS YTD BUDGET REPORT – ENDING1/31/18
9. APPROVED EXPENSES -1/31/18

STEVE GRAY, CHAIR  
AND BOARD

MONTHLY REPORTS FEBRUARY

MOVED BY TRUSTEE BRZEZINSKI  
SUPPORTED BY TRUSTEE RYDER

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Thomas Herek	X			Thomas Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted x Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

**BAY COUNTY RETIREMENT BOARD  
02/13/18  
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

WHEREAS, The Retirement Ordinance defines "Accumulated Member Contributions" as the balance in the member's individual account in the reserve for member contributions and regular interest that has been credited to the member's account annually as prescribed by the Board.

WHEREAS, The Retirement Ordinance defines "Regular Interest" as the rate or rates of interest per annum, compounded annually, which the Board shall adopt annually.

WHEREAS, The Retirement Ordinance states The Board shall from time to time adopt mortality and other tables of actuarial experience, as a rate or rates of regular interest, that are necessary to manage the Retirement System on a sound actuarial basis.

WHEREAS, In the performance of the actuarial valuation of the Bay County Employees' Retirement System by GRS, it is necessary to review the assumptions used in this valuation annually. The interest rate on accumulated member contributions for Bay County has been set at 4% for as long as Gabriel Roeder Smith has been doing this valuation.

WHEREAS, The selection of interest for this purpose varies from system to system. A common approach is to set this rate of interest based on a long-term savings rate or long-term inflation rate. A rate of 2% to 4% is fairly common for this purpose. Therefore Be It,

RESOLVED That this Board approve the interest rate of 4% on accumulated member contributions.

STEVE GRAY, CHAIR  
AND BOARD

RESOLUTION -- INTEREST RATE OF 4% ON ACCUMULATED CONTRIBUTIONS

MOVED BY TRUSTEE BRZEZINSKI

SUPPORTED BY TRUSTEE GONZALES

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Thomas Herek				Thomas Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

**BAY COUNTY RETIREMENT BOARD  
2/13/2018  
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

WHEREAS, An application for a non-duty disability was received from Mr. Matthew Neal.

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

WHEREAS, Application was made while member was in the employment of the County – Bay County General group.

WHEREAS, The member has 10 or more years of credited service. Therefore, Be It

RESOLVED That this Board refer this matter to the medical director at this time.

STEVE GRAY, CHAIR  
AND BOARD

RESOLUTION NON-DUTY DISABILITY APPLICATION - NEAL

MOVED BY TRUSTEE BRZEZINSKI

SUPPORTED BY TRUSTEE PETT

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

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 9

Moved, supported and carried to excuse Trustee Morse.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: STARKWEATHER

MOTION NO.: 10

Moved, supported and carried to approve the minutes, as printed, from the January 9, 2018 meeting.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_



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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 11

Moved, supported and carried to receive the AndCo 4Q 2017 report.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 12

Moved, supported and carried to receive the Supplemental Actuarial Valuation for Bay County Medical Care Facility.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: RYDER

MOTION SUPPORTED BY: HEREK

MOTION NO.: 13

Moved, supported and carried to receive correspondence from PGIM regarding the new Director to lead impact oriented real estate investment initiatives

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
 Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: BRZEZINSKI

MOTION NO.: 14

Moved, supported and carried to receive correspondence to Comerica, Columbia, Eagle, and Integrity regarding asset reallocation to raise cash for Bay County.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
 Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: BRZEZINSKI

MOTION NO.: 15

Moved and supported to afford the possibility to anyone wishing to attend to NCPERS conference in New York.

**MOTION WITHDRAWN**

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski				Richard Gromaski				Matthew Pett			
Kristal Gonzales				Tom Herek				Tom Ryder			
Steve Gray				Jon Morse				Thomas Starkweather			

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Disposition: Adopted \_\_\_\_\_ Defeated \_\_\_\_\_ **Withdrawn** X

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

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

MEETING DATE: FEBRUARY 13, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: PETT

MOTION NO.: 16

Moved, supported and carried to adjourn the meeting at  
2:14 p.m.

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	X			Matthew Pett	X		
Kristal Gonzales	X			Tom Herek	X			Tom Ryder	X		
Steve Gray	X			Jon Morse			X	Thomas Starkweather	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
 Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_