

BAY COUNTY RETIREMENT BOARD OF TRUSTEES
 AGENDA
 TUESDAY, JUNE 12, 2018 @ 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. APRIL 17, 2018 SPECIAL MEETING
11 – 16	B. MAY 8, 2018 REGULAR MEETING
	IV. PUBLIC INPUT
	V. PETITIONS & COMMUNICATIONS
	A. <u>HOTCHKIS & WILEY</u> – PATRICK MCMENAMIN, MANAGING DIRECTOR
	B. <u>SCHRODERS</u> – MATTHEW DOBBS, PORTFOLIO MANAGER & JAMIE MACMILLAN, SENIOR INSTITUTIONAL MANAGER
17 - 20	C. MONTHLY REPORTS – RES NO: 2018-12 (APPROVE)
	1. PORTFOLIO VALUE - 1/1/18 - 5/31/18
	2. CHANGE IN NET ASSETS – 5/31/18
	3. MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
	a. NONE
	4. MONEY MANAGER REPORTS
	a. BARINGS – ENDING 4/30/18
	b. COLUMBIA – ENDING 4/30/18
	c. EAGLE ASSET MGMT - ENDING 4/30/18
	d. GENEVA – ENDING 4/30/18
21 - 39	e. <u>HOTCHKIS & WILEY</u> – ENDING 4/30/18
	f. LOOMIS SAYLES - ENDING 4/30/18
	g. MACKAY SHIELDS – ENDING 4/30/18
	h. MFS INVESTMENT – ENDING 4/30/18
	i. MFS HERITAGE TRUST - ENDING 4/30/18
	j. PRISA – ENDING 4/30/18; PRISA ANNUAL MEETING MATERIAL (AVAILABLE UPON REQUEST); PRISA UHC CONSOLIDATED FS 1Q18 (AVAILABLE UPON REQUEST); PRISA LP 1Q18 FS (AVAILABLE UPON REQUEST); PRISA 1Q 2018 REPORT (AVAILABLE UPON REQUEST)
	k. SCHRODER – ENDING 4/30/18

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BAY CITY, MI 48708

- 40 - 42
 - 5. RECAPTURE SERVICES
 - a. ABEL/NOSER - SUMMARY ENDING 4/30/18
 - b. CAPIS - SUMMARY ENDING 4/30/18
- 43 - 59
 - 6. COMERICA
 - a. SUMMARY EARNINGS – ENDING 5/31/18
- 60.....
 - 7. REFUNDS/RETIREMENTS ENDING 5/31/18
- 61 - 65
 - 8. BCERS YTD BUDGET REPORT – ENDING 5/31/18
- 66.....
 - 9. INVOICES APPROVED – 5/31/18
- D. REPORT ON NCPERS CONFERENCE -- KATIE MEETH & TOM HEREK
- 67 - 109
 - E. RES NO: 2018- 13 SERVICE DISCLOSURE FORMS (APPROVE)
- 110.....
 - F. NON-DUTY DISABILITY RETIREMENT APPLICATION –JOHN MORSE GENERAL GROUP RES NO: 2018-14 (APPROVE)
- 111.....
 - G. NOTIFICATION FROM MFS REGARDING PASSIVE BREACH OF MAXIMUM 10% IN CASH & EQUIVALENTS (RECEIVE)
- 112 - 117
 - H. CHUBB FIDUCIARY LIABILITY INSURANCE RENEWAL RES NO: 2018-15 (APPROVE)
- 118 - 120
 - I. CORRESPONDENCE COMERICA, MFS, AND VANGUARD REBALANCE BAY CO CASH (RECEIVE)
- 121 - 133
 - J. MEMBER APPEAL (RECEIVE)

VI. ANNOUNCEMENTS

- A. NEXT REGULAR MEETING – JULY 10, 2018 AT 1:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4TH FLOOR, BAY CITY, MI 48708
- B. DISABILITY RETIREMENT REEXAMINATIONS ARE DUE JULY 1ST.
- C. SPECIAL MEETING TUESDAY, JULY 3, 2018 AT 1:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4TH FLOOR, BAY CITY, MI 48708. MEMBER APPEAL

VII. UNFINISHED BUSINESS

VIII. NEW BUSINESS

BAY COUNTY RETIREMENT BOARD OF TRUSTEES

AGENDA

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- IX. MISCELLANEOUS BUSINESS
- X. ADJOURNMENT

**BAY COUNTY RETIREMENT BOARD
06/12/2018
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 -5/31/18
2. CHANGE IN NET ASSETS - 5/31/18
3. MONEY MANAGERS ON WATCH - NONE
4. MONEY MANAGER REPORTS
 - a. BARINGS - ENDING 4/30/18
 - b. COLUMBIA - ENDING 4/30/18
 - c. EAGLE - ENDING 4/30/18
 - d. GENEVA – ENDING 4/30/18
 - e. HOTCHKIS & WILEY - ENDING 4/30/18
 - f. LOOMIS SAYLES - ENDING 4/30/18
 - g. MACKAY SHIELDS – ENDING 4/30/18
 - h. MFS INVESTMENT - ENDING 4/30/18
 - i. MFS HERITAGE TRUST - ENDING 4/30/18
 - j. PRISA – 4/30/18: PRISA ANNUAL MTG MATERIAL (AVAILABLE UPON REQUEST); PRISA UHC CONSOLIDATED FS 1Q 2018 (AVAILABLE UPON REQUEST); PRISA LP 1Q 2018 FS (AVAILABLE UPON REQUEST)
 - k. SCHRODERS - ENDING 4/30/18
5. RECAPTURE SERVICES
 - a. ABEL/NOSER - SUMMARY ENDING 4/30/18
 - b. CAPIB - SUMMARY ENDING 4/30/18
6. COMERICA SUMMARY EARNINGS -5/31/18
7. REFUNDS/RETIREMENTS –ENDING 5/31/18
8. BCERS YTD BUDGET REPORT – ENDING 5/31/18
9. APPROVED EXPENSES – 5/31/18

STEVE GRAY, CHAIR
AND BOARD

MONTHLY REPORTS JUNE

MOVED BY TRUSTEE GROMASKI
SUPPORTED BY TRUSTEE PETT

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			Sandy Shutt	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
06/12/18
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (06/12/2018)

WHEREAS, As part of the requirement of the Bay County Employees' Retirement System Policy on Service Provider Disclosures, the Board requires information to be provided annually by all of its service providers to acknowledge that they are in compliance with Section 13e of Act 314 [MCL 38.113e] and/or Rule 206(4)-5 of the Investment Advisers Act of 1940 in the case of a regulated investment adviser.

WHEREAS, Compensation disclosure forms and political contribution disclosure forms have been received by the following money managers:

Abel/Noser	Loomis Sayles
AndCo Consulting	Mackay Shields
Baird	MFS Heritage
Barings	MFS Institutional
CAPIS	Comerica
Columbia	PGIM - PRISA
Eagle	Schroders
Gabriel Roeder Smith	Victory Capital/Integrity
Geneva	
Hotchkis & Wiley	

Therefore, Be It

RESOLVED That this Board approve these Compensation Disclosure Forms and Political Contribution Disclosure forms.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION – SERVICE DISCLOSURE & POLITICAL DISCLOSURE FORMS

MOVED BY TRUSTEE HEREK

SUPPORTED BY TRUSTEE SHUTT

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			Sandy Shutt	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
6/12/2018
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

WHEREAS, An application for a non-duty disability was received from Mr. John Morse.

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 - MORSE

MOVED BY TRUSTEE HEREK

SUPPORTED BY TRUSTEE PETT

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			Sandy Shutt	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
6/12/18
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD (6/12/18)

WHEREAS, The Bay County Retirement Board of Trustees is the designated fiduciary for the Bay County Employees' Retirement System

WHEREAS, The Bay County Employees' Retirement System Fiduciary Liability Policy has been renewed every year in recent history. The current one (1) year policy expires August 17, 2018; and

WHEREAS, There are three (3) other trusts covered by this policy and each will have to be signed by its fiduciary:

1. Bay County Voluntary Employees' Benefit Association
2. Bay County Employees' 401K savings plan (401K Committee is the fiduciary)
3. Bay County Employees' 457 saving plan (Bay County Board of Commissioners is the fiduciary)

WHEREAS, Funds are budgeted for the fiduciary policy; Therefore, Be It

RESOLVED That the Bay County Retirement Board of Trustees authorizes renewal of the Bay County Employees' Retirement System Fiduciary Liability Policy and authorizes the Chairman of the Board to execute the renewal application and subsequent related documents on behalf of the Retirement Board following legal review/approval.

STEVE GRAY, CHAIR
AND BOARD

RESOLUTION – FIDUCIARY LIABILITY RENEWAL

MOVED BY TRUSTEE GROMASKI

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			Sandy Shutt	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: JUNE 12, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 46

Moved, supported and carried to excuse 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	Tom Herek	x			Tom Ryder	x		
Steve Gray	x			Jon Morse	x			Sandra Shutt	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: JUNE 12 2018

MOTION MOVED BY: BRZEZINSKI

MOTION SUPPORTED BY: PETT

MOTION NO.: 47

Moved, supported and carried to approve the minutes, as printed, from April 17, 2018 special 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			Sandra Shutt	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: JUNE 12 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: RYDER

MOTION NO.: 48

Move, supported and carried to approve the minutes, as printed, from May 8, 2018, regular 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			Sandra Shutt	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: JUNE 12 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: GROMASKI

MOTION NO.: 49

Moved, supported and carried to receive the report from Hotchkis & Wiley.

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			Sandra Shutt	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: JUNE 12, 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: HEREK

MOTION NO.: 50

Moved, supported and carried to receive the report from Schroder.

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			Sandra Shutt	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: JUNE 12, 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: MORSE

MOTION NO.: 51

Moved, supported and carried to receive the real estate investment options
Presentation from AndCo Consulting.

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			Sandra Shutt	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: JUNE 12, 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: HEREK

MOTION NO.: 52

Moved, supported and carried to receive the notification from MFS regarding the passive breach of maximum 10% in cash & equivalents.

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			Sandra Shutt	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: JUNE 12, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: PETT

MOTION NO.: 53

Moved, supported and carried to receive correspondence to Comerica, MFS, Vanguard regarding rebalance for Bay County Cash.

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			Sandra Shutt	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: JUNE 12, 2018

MOTION MOVED BY: RYDER

MOTION SUPPORTED BY: HEREK

MOTION NO.: 54

Moved, supported and carried to receive the member appeal.

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			Sandra Shutt	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: JUNE 12, 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: MORSE

MOTION NO.: 55

Moved, supported and carried to adjourn the meeting at
3:30 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			Sandra Shutt	X		

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____

Voice: Yeas 8 Nays 0 Excused 1

Disposition: Adopted X Defeated _____ Withdrawn _____

Amended _____ Corrected _____ Referred _____