

BAY COUNTY RETIREMENT BOARD OF TRUSTEES  
 AGENDA  
 TUESDAY, AUGUST 14, 2018 @ 1:30 P.M.  
**COMMISSIONERS CHAMBERS**  
**515 CENTER AVENUE - 4<sup>TH</sup> FLOOR**  
**BAY CITY, MI 48708**

PAGE	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 14 . . . . .		A. JULY 3, 2018 SPECIAL MEETING ( <b>APPROVE</b> ) B. JULY 10, 2018 REGULAR MEETING ( <b>APPROVE</b> )
	IV.	PUBLIC INPUT
	V.	PETITIONS & COMMUNICATIONS
	A.	<u>ANDCO CONSULTING - 2Q REPORT</u> – PETER BROWN & HOWARD POHL
	B.	ANDCO REAL ESTATE DISCUSSION – PETER BROWN & HOWARD POHL
	1.	<u>OPEN-END, CORE PLUS &amp; VALUE-ADD REAL ESTATE MANAGER ANALYSIS</u>
	2.	<u>NON-CORE, CLOSED-END REAL ESTATE MANAGER ANALYSIS.</u>
15 - 17 . . . . .	C.	MONTHLY REPORTS – RES NO: 2018- 22 ( <b>APPROVE</b> )
	1.	PORTFOLIO VALUE - 1/1/18 - 7/31/18
	2.	CHANGE IN NET ASSETS - 7/31/18
	3.	MONEY MANAGERS ON WATCH - ( <b>EFFECTIVE DATE</b> )
	a.	NONE
	4.	MONEY MANAGER REPORTS
	a.	BAIRD – ENDING 2Q 2018
	b.	BARINGS – ENDING 6/30/18; 2Q 2018
	c.	COLUMBIA – ENDING 6/30/18; COMMISION REPORT 6/30/18; PERFORMANCE REPORT 6/30/18
	d.	EAGLE ASSET MGMT - ENDING
	e.	GENEVA – ENDING 6/30/18; 2Q 2018
	f.	HOTCHKIS & WILEY – ENDING 6/30/18; PROXY VOTE 2Q 2018 (AVAILABLE UPON REQUEST)
18 - 81 . . . . .	g.	LOOMIS SAYLES – ENDING 6/30/18
	h.	MACKAY SHIELDS - ENDING 2Q 2018
	i.	MFS INVESTMENT REPORTS – ENDING

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- 6/30/18; ATTRIBUTION REPORT 2Q 2018;  
 PROXY VOTING REPORT 2Q 2018  
 (AVAILABLE UPON REQUEST)
- j. MFS HERITAGE TRUSTRE REPORTS –  
 ENDING 6/30/18; 2Q 2018; PROXY VOTE 2Q  
 2018 (AVAILABLE UPON REQUEST)
- k. PGIM – 2Q 2018 FLASH REPORT; PRISA 2Q  
 2018
- l. SCHRODERS – ENDING 6/30/18
- 5. RECAPTURE SERVICES
- 82 - 85 .....
  - a. ABEL/NOSER - SUMMARY ENDING 6/30/18
  - b. CAPIS - SUMMARY ENDING 6/30/18
- 86 – 104 .....
  - 6. COMERICA
    - a. SUMMARY EARNINGS - ENDING 6/30/18
- 105.....
  - 7. REFUNDS/RETIREMENTS ENDING 7/31/18
- 106 – 110 .....
  - 8. BCERS YTD BUDGET REPORT – ENDING 7/31/18
- 111 .....
  - 9. INVOICES APPROVED – 7/31/18
- 112- 113 .....
  - D. CORRESPONDENCE COMERICA & SCHRODERS –  
 REBALANCE BAY CO CASH (RECEIVE)
  - E. REHMAN AUDIT DECEMBER 31, 2017 (RECEIVE)
- 114-116 .....
  - F. PROFESSIONAL SERVICE REVIEW POLICY  
 RES NO: 2018-23 (APPROVE)
  - G. MEMBER APPEAL –TOM PAIGE

**Motion: To go into closed session  
 pursuant to MCLA 15.268, Sec. 8 (h) to  
 consider material exempt from  
 discussion or disclosure by state or  
 federal statute.**

VI. ANNOUNCEMENTS

- A. NEXT REGULAR MEETING – SEPTEMBER 11, 2018 AT 1:30  
 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE  
 4<sup>TH</sup> FLOOR, BAY CITY, MI 48708
- B. MAPERS FALL CONFERENCE SATURDAY, SEPTEMBER 22,  
 2018 TO TUESDAY, SEPTEMBER 25, 2018 AT THE GRAND  
 TRAVERSE RESORT IN ACME, MICHIGAN. TO REGISTER,  
 PLEASE CONTACT KATIE MEETH.

VII. UNFINISHED BUSINESS

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**BAY CITY, MI 48708**

- VIII. NEW BUSINESS
- IX. MISCELLANEOUS BUSINESS
- X. ADJOURNMENT

ACTION TAKEN BY BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BOARD

DATE OF BOARD MEETING: AUGUST 14, 2018

PAGE: 1

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

Res No									
2018-22	BOARD	Monthly Reports	XX						
2018-23	BOARD	Adopt Professional Review Policy	XX						
MOTION									
71	GROMASKI	Approve Minutes 7/3/18	XX						
72	BRZEZINSKI	Approve Minutes 7/10/18	XX						
73	PETT	Receive 2Q report from AndCo	XX						
74	HEREK	Motion to have managers for both open and closed-end funds come in for interviews – supported for discussion							XX
75	HEREK	Approve to interview fund managers American strategic, Principal and TerraCap	XX						
76	PETT	Receive correspondence Comerica & Schroder rebalance							
77	RYDER	Receive Rehmann Audit for 2017	XX						
78	HEREK	Motion to go into closed session	XX						
79	GROMASKI	Return to regular session	XX						
80	RYDER	Deny appeal of Tom Paige – Approve Asst Corp Counsel to write letter	XX						
81	PETT	Adjourn	XX						

**BAY COUNTY RETIREMENT BOARD  
08/14/2018  
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 - 7/31/18
2. CHANGE IN NET ASSETS – 7/31/18
3. MONEY MANAGERS ON WATCH - NONE
4. MONEY MANAGER REPORTS
  - a. BAIRD – ENDING 2Q 2018
  - b. BARINGS - ENDING 6/30/18; 2Q 2018
  - c. COLUMBIA - ENDING 6/30/18
  - d. EAGLE - ENDING 6/30/18
  - e. GENEVA – ENDING 6/30/18; 2Q 2018
  - f. HOTCHKIS & WILEY – ENDING 6/30/18; PROXY VOTE REPORT 2Q 2018 (AVAILABLE UPON REQUEST)
  - g. LOOMIS SAYLES - ENDING 6/30/18
  - h. MACKAY SHIELDS – ENDING 2Q 2018
  - i. MFS INVESTMENT REPORTS - ENDING 6/30/18; 2Q 2018; ATTRIBUTION REPORT 2Q 2018
  - j. MFS HERITAGE TRUST REPORTS - ENDING 6/30/18; 2Q 2018; PROXY VOTE REPORT 2Q 2018 (AVAILABLE UPON REQUEST)
  - k. PRISA 2Q 2018; PGIM REAL ESTATE 2Q FLASH REPORT
  - l. SCHRODERS - ENDING 6/30/18
5. RECAPTURE SERVICES
  - a. ABEL/NOSER - SUMMARY ENDING 6/30/18
  - b. CAPIS - SUMMARY ENDING 6/30/18
6. COMERICA SUMMARY EARNINGS -6/30/18
7. REFUNDS/RETIREMENTS –ENDING 7/31/18
8. BCERS YTD BUDGET REPORT – ENDING 7/31/18
9. APPROVED EXPENSES – 7/31/18

STEVE GRAY, CHAIR  
AND BOARD

MONTHLY REPORTS AUGUST

MOVED BY TRUSTEE BRZEZINSKI  
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 9 Nays 0 Excused 0

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

**BAY COUNTY RETIREMENT BOARD  
8/14/18  
RESOLUTION**

BY: BAY COUNTY RETIREMENT BOARD

WHEREAS, The Retirement Board has expressed a desire to review its service providers (actuary, investment consultant, medical director, custodian bank and outside legal counsel) on a five year cycle, reviewing one each year.

WHEREAS, This policy was originally presented in 2014 on the recommendation of outside counsel, Thomas Michaud. At that time, BCERS was participating in our first competitive bid process in many years. It was the intent of BCERS to re-examine this policy after that bid process and make any necessary changes.

WHEREAS, While not formally adopted, BCERS has been following this policy since 2014.

WHEREAS, The Professional Review Policy will help insure that BCERS is receiving services for fair market value. Therefore, Be It

RESOLVED That this Board adopt the Professional Review Policy.

STEVE GRAY, CHAIR  
AND BOARD

RESOLUTION Professional Review Policy

MOVED BY TRUSTEE GROMASKI

SUPPORTED BY 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			Thomas Herek	X			Thomas Ryder	X		
Steve Gray	X			Jon Morse	X			Sandy Shutt	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Voice: Yeas 9 Nays 0 Excused 0

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: MORSE

MOTION NO.: 71

Moved, supported and carried to approve the minutes, as printed, from the July 3, 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 9 Nays 0 Excused 0

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

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: BRZEZINSKI

MOTION SUPPORTED BY: SHUTT

MOTION NO.: 72

Moved, supported and carried to approve the minutes, as printed, from the July 10, 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 0

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



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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: GONZALES

MOTION NO.: 73

Moved, supported and carried to receive the AndCo Consulting 2Q 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			Sandra Shutt	X		

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Voice: Yeas 9 Nays 0 Excused 0

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: BRZEZINSKI

MOTION NO.: 74

Motion was made to have managers for both open-end and closed-end funds come in for interviews. The motion was supported for discussion

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				Sandra Shutt			

Vote Totals:

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

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

Disposition: Adopted \_\_\_\_\_ Defeated \_\_\_\_\_ Withdrawn XX \_\_\_\_\_

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: BRZEZINSKI

MOTION NO.: 75

Moved, supported and carried to approve to interview American Strategic, Principal, and TerraCap.

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 9 Nays 0 Excused 0  
 Voice: Yeas      Nays      Excused     

Disposition: Adopted X Defeated      Withdrawn       
 Amended      Corrected      Referred

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: SHUTT

MOTION NO.: 76

Moved, supported and carried to receive correspondence Comerica and Schroders 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 9 Nays 0 Excused 0

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

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: RYDER

MOTION SUPPORTED BY: SHUTT

MOTION NO.: 77

Moved, supported and carried to receive the Rehmann audit for 2017.

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 9 Nays 0 Excused 0

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: HEREK

MOTION SUPPORTED BY: PETT

MOTION NO.: 78

**Motion: To go into closed session pursuant to MCLA 15.268,  
Sec. 8 (h) to consider material exempt from discussion or  
disclosure by state or federal statute.**

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 9 Nays 0 Excused 0

Voice: Yeas      Nays      Excused     

Disposition: Adopted X Defeated      Withdrawn     

Amended      Corrected      Referred

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: GROMASKI

MOTION SUPPORTED BY: RYDER

MOTION NO.: 79

Moved, supported and carried to return to regular session.

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 9 Nays 0 Excused 0

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

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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: RYDER

MOTION SUPPORTED BY: PETT

MOTION NO.: 80

Moved, supported and carried to deny the appeal of Tom Paige and have Assistant Corporation Counsel, Ms. Walraven, to write the letter to notify Mr. Paige

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski	X			Richard Gromaski	--	--	--	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 8 Nays 0 Excused        Abstained 1

Voice: Yeas        Nays        Excused       

Disposition: Adopted X Defeated        Withdrawn         
Amended        Corrected        Referred       

\*Trustee Gromaski abstained from vote



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

MEETING DATE: AUGUST 14, 2018

MOTION MOVED BY: PETT

MOTION SUPPORTED BY: HEREK

MOTION NO.: 81

Moved, supported and carried to adjourn the meeting at 2:47 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 9 Nays 0 Excused 0

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

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