

**Monroe County Employees Retirement
System Board of Trustees
MINUTES**

A regular meeting of the Monroe County Employees Retirement System Board of Trustees was held on May 17, 2010 at 5:00 P.M. in the Board of Commissioners Meeting Room at 125 East Second Street, Monroe, Michigan.

PRESENT: Nancy Colpaert (left at 5:40), James Davies, John Fowler, George Jondro, Anne McCarthy, James Morgan, William Myers, William Sisk and David Thompson.

ABSENT: None

ALSO PRESENT: Sandy Calkins, Retirement Specialist, Royce Maniko, Secretary, Sam Galanis and Michael Cho, Consultants and Thomas Michaud, Legal Counsel

With a quorum being present, Chairman Thompson called the meeting to order at 5:00 P.M.

Motion by Nancy Colpaert, supported by William Sisk to approve the minutes of the April 26, 2010 regular meeting, and April 8, 2010 special meeting. Motion carried.

Motion by John Fowler, supported by James Davies to approve the agenda as submitted. Motion carried.

Citizens Time – None

Presentations – Smith Group Asset Management – Sara Mongerson

Ms. Mongerson introduced herself as Partner and Director of Sales for Smith Group Asset Management. She stated the firm is based in Dallas, Texas and manages approximately 2.6 Billion dollars in assets.

John Brim is a Partner and Senior Portfolio Manager for Smith Group Asset Management. He stated 2009 was a challenging time. Mr. Brim discussed Smith Group Asset Management's engineering approach, stating Smith Group uses leveraging technology and fundamental research; they identify companies with undiscovered growth potential, and create risk-controlled portfolios that produce attractive return patterns.

Mr. Brim stated in 2009 low quality stocks significantly outperformed and 2010 has seen improving returns to quality although still far from normal. Mr. Brim informed the Retirement Board that Smith Group's relative performance is best in a growing economic environment.

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After discussing the Portfolio Sector Weightings he assured the Retirement Board that moving forward in 2010 Smith Group is positioned well with the current Sector Weightings. Finally, Mr. Brim reviewed the Top 10 Holdings as well as the Portfolio Characteristics.

Motion by James Morgan, supported by George Jondro to approve the consent agenda as listed below.

A. Retirements

Mark Metz, Central Dispatch	April 27
William Rosenberger, Central Dispatch	April 27
Steve Voyantzis, County Agency	April 30
James Walker, Youth Center	April 30
Maryanne Ortman, Sheriff's Office	May 1
Thomas Redmond, Sheriff's Office	May 1
William Johnson, County Agency	May 5
Bryan Simmons, Road Commission	May 7
Charles McMullen, Road Commission	May 14
Cheryl Perhatch, Register of Deeds	May 21
Steven Dussia, County Agency	May 21
Jane Appleman, District Court	May 28
Frances Longsworth, District Court	May 28
Beverly Pierce, District Court	May 28
David Kottke, Sheriff's Office	May 31
Louise Lietaert, Library System	May 31

B. Financial Reports – On File with Retirement Specialist

1. Comerica Bank Consolidated Statement, Cash Account Statement, Anchor Capital Advisors, Boyd Watterson Asset Management, Brandywine Asset Management Global, Eagle Global Advisors, NWQ Investment Management and International Value Equity, Pacific Income Advisors, Renaissance Investment Company and International Equity, Smith Group Asset Management, Templeton Portfolio Advisors for the period of 04/01/10 through 04/30/10 and Securities Lending Statement for March, 2010.
2. Anchor Capital Advisors Portfolio Summary for March 31, 2010.
3. Brandywine Global Investment Management Global Fixed Income Portfolio for April 2010.

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4. Eagle Global Advisors Portfolio Summary for March 31, 2010.
5. Morgan Stanley Smith Barney Client Statement for, Eagle Global Advisors, NWQ LCV and International, Renaissance Investment Advisors and International, Smith Group Asset Management and Templeton Portfolio Advisors for the period ended April 30, 2010.
6. NWQ Investment Management Company Portfolio Review for the First Quarter 2010.
7. Pacific Income Advisers Fixed Income Quarterly Report for the period ended March 31, 2010.
8. Smith Group Asset Management Monthly Portfolio Summary for the period ended April 30, 2010.
9. Smith Group Asset Management Quarterly Portfolio Summary for the period ended March 31, 2010.
10. Templeton Portfolio Advisors Portfolio Quarterly Report for the period ended March 31, 2010.
11. Tradewinds Global Investors Portfolio Review for the First Quarter 2010.

C. Communication

1. Anchor Capital Advisors Investment Policy Outlook.
2. Brandywine Global Investment Management Monthly Commentary for April 2010.
3. Boyd Watterson Asset Management Quarterly Investment Outlook.
4. Eagle Global Advisors communication regarding the quarterly investment portfolio appraisal.
5. Eagle Global Advisors International Market Review and Outlook.
6. Gabriel Roeder Smith & Company News Scan and Research Memorandum.
7. NWQ Investment Management Company Privacy Policy.

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8. NWQ Investment Management Company communication regarding the 2010 outlook.
9. Smith Group Asset Management communication regarding the 2010 outlook.
10. Smith Group Asset Management updated Form AVD Part II.
11. Templeton Investments Proxy Voting Summary Report.
12. Tradewinds Global Investors communication regarding the 2010 outlook.

Motion Carried.

Invoices

Motion by William Sisk, supported by James Davies to approve for payment the following invoices, subject to house audit:

1. Invoice dated April 1, 2010 in the amount of \$15,592.60 from Anchor Capital Advisors for investment services rendered for the period of January 1, 2010 – March 31, 2010.
2. Invoice #80330310 dated April 28, 2010 in the amount of \$26,561.38 from Brandywine Global Investment Management for investment services rendered for the period of January 1, 2010 – March 31, 2010.
3. Invoice #362636 in the amount of \$12,636.35 from Comerica Bank for custodial services rendered for the period of January 1, 2010 – March 31, 2010.
4. Invoice #362849 in the amount of \$3,184.62 from Comerica Bank for custodial services rendered for the period of January 1, 2010 – March 31, 2010.
5. Invoice dated April 30, 2010 in the amount of \$2,744.28 from Comerica Commercial Card Service for MAPERS educational seminar hotel deposits.
6. Invoice #1671 dated May 3, 2010 in the amount of \$44.28 from the County of Monroe Finance Department for April 2010 postage.
7. Invoice in the amount of \$15,010.00 from Eagle Global Advisors for investment services rendered for the period of January 1, 2010 – March 31, 2010.

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8. Invoice dated April 22, 2010 in the amount of \$58,433.48 from Morgan Stanley Smith Barney for management fees for the period of January 1, 2010 – March 31, 2010.
9. Invoice dated April 15, 2010 in the amount of \$10,475.00 from Pacific Income Advisers for investment services rendered for the period of January 1, 2010 – March 31, 2010.
10. Invoice dated April 20, 2010 in the amount of \$11,653.51 from Renaissance Investment Management for investment services rendered for the period of January 1, 2010 – March 31, 2010.
11. Invoice dated April 20, 2010 in the amount of \$14,818.58 from Renaissance Investment Management for investment services rendered for the period of January 1, 2010 – March 31, 2010.
12. Invoice in the amount of \$6,025.62 from Smith Group Asset Management for investment services rendered for the period of January 1, 2010 – March 31, 2010.
13. Invoice dated April 19, 2010 in the amount of \$15,186.31 from Franklin Templeton Investments for investment services rendered for the period ending March 31, 2010.
14. Reimbursement in the amount of \$239.32 to David Thompson for expenses incurred for the 2010 NCPERS educational seminar.
15. Reimbursement in the amount of \$186.00 to James Morgan for expenses incurred for the 2010 NCPERS educational seminar.

Motion carried.

Refunds

Motion by John Fowler, supported by William Sisk to approve the following refunds:

1. David W. Uhl, Sheriff's Office \$105,303.91

Motion carried.

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Retirement Payments

Motion by George Jondro, supported by Anne McCarthy to approve the following retirement payments:

1. David W. Uhl, Sheriff's Office \$ 6,786.32
**April \$3,393.16

Motion carried.

Communications

Motion by John Fowler, supported by George Jondro to accept and place of file the following applications for Purchase of Universal Service Credit:

1. Allison Arnold, Prosecuting Attorney
2. Sandra Baldwin, County Clerk
3. Felipa Bomia, Friend of the Court
4. Damon Cecil, Sheriff's Office
5. Donna Cherba, Probate Court
6. Edward Cousino, County Agency
7. Sarenda Davison, Sheriff's Office
8. Bonnie DeSloover, Sheriff's Office
9. Steven Dussia, County Agency
10. Denise Erving, County Clerk
11. Anna Essary, Friend of the Court
12. Robert Fleeman Jr., Sheriff's Office
13. Jan Ford, Sheriff's Office
14. John Fowler, Board of Commissioners
15. Robert Gelardi, Sheriff's Office
16. Lucky Gunter, County Agency
17. Colleen Hinzmann, Information Technology
18. Lori Hotvedt, Information Technology
19. Karen Hudson, Sheriff's Office
20. S. Joseph Hudson, Friend of the Court
21. Amara Hunter, Prosecuting Attorney
22. Rose Jablonski, Sheriff's Office
23. Michael Jondro, Buildings & Grounds
24. John Kamprath, County Agency
25. Doris Kavanagh, District Court
26. Vickie Koczman, Board of Commissioners
27. David Kottke, Sheriff's Office

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28. Christine Kull, Museum
29. Dawn Kurtz, Youth Center
30. Rene Kurtz, Employment & Training
31. Michele Lachcik, Friend of the Court
32. Michael Langton, Sheriff's Office
33. James Lazar, Central Dispatch
34. Sharon Lemasters, County Clerk
35. John Longenbarger, Sheriff's Office
36. Timothy Lusch, Prosecuting Attorney
37. Pamela Lynch, Health Department
38. Michelle Marcero, District Court
39. Anne McCarthy, Prosecuting Attorney
40. Mark Mignano, Friend of the Court
41. Randy Nicholson, Sheriff's Office
42. Anne Noland, Treasurer
43. Maureen Pfund, Health Department
44. Beverly Pierce, District Court
45. Jennifer Poupard, Youth Center
46. Rosalind Rechel, Fairview
47. Mary Redburn, Sheriff's Office
48. Gregory Ruch, Sheriff's Office
49. Robert Russeau, County Agency
50. Trisha Schaffenberg, Sheriff's Office
51. Margaret Schilling, Register of Deeds
52. Brenda Smith, Probate Court
53. Jack Smith, Buildings & Grounds
54. Carole Snider, Health Department
55. Barbara Southworth, Health Department
56. Frank Spreeman, Human Resources
57. Patricia Standifer, Fairview
58. John Stanish Jr., Sheriff's Office
59. Judy Thomas, Probate Court
60. David C. Thompson, Sheriff's Office
61. Constance Velliquette, Board of Commissioners
62. Kristine Weeman, Sheriff's Office
63. Deborah Zimmerman, Health Department

Motion carried. Trustee Fowler abstained from voting on 14 and Chairman Thompson abstained from voting on 60.

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Motion by Nancy Colpaert, supported by William Myers to accept and place of file the following applications for Service Retirement:

64. Steven Dussia, County Agency
65. Vickie Koczman, Board of Commissioners
66. Pamela Lynch, Health Department
67. Diane Michaud, Extension
68. Mark Mignano, Friend of the Court
69. Pamela Moskwa, Probate Court
70. Maureen Pfund, Health Department
71. Rosalind Rechel, Fairview
72. Robert Rousseau, County Agency
73. Carole Snider, Health Department
74. Patricia Standifer, Fairview
75. Sharon Sullins, County Agency
76. Judy Thomas, Probate Court
77. Peggy Tyniw, Information Technology

Motion carried.

78. Communication dated April 23, 2010 from Comerica Bank regarding Sigma Liability Payment Options.

Motion by Anne McCarthy, supported by John Fowler to accept and place on file.
Motion carried.

Proposed Resolutions

Motion by William Sisk, supported by William Myer to accept and place on file the following application for Service Retirement resolutions: Steven Dussia, Vickie Koczman, Diane Michaud and Maureen Pfund are subject to payment of Universal Service Credit.

1. Steven Dussia, County Agency
2. Vickie Koczman, Board of Commissioners
3. Pamela Lynch, Health Department
4. Diane Michaud, Extension
5. Mark Mignano, Friend of the Court
6. Pamela Moskwa, Probate Court
7. Maureen Pfund, Health Department
8. Rosalind, Rechel, Fairview
9. Robert Rousseau, County Agency
10. Carole Snider, Health Department

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11. Patricia Standifer, Fairview
12. Sharon Sullins, County Agency
13. Judy Thomas, Probate Court
14. Peggy Tyniw, Information Technology

Motion carried.

Motion by William Myer, supported by John Fowler to accept and place on file the following Service Retirement resolutions:

15. Audrey Majauskas, Mental Health
16. David W. Uhl, Sheriff's Office

Motion carried.

Motion by James Morgan, supported by John Fowler to accept and place on file the following Purchase of Military Service Credit resolutions:

17. William Rosenberger, Central Dispatch
18. Bryan Simmons, Road Commission

Motion carried.

Attorney Report

Mr. Michaud submitted a resolution for Purchase of Universal Service Credit.

Motion by James Davies, supported by George Jondro to adopt the resolution as submitted. Motion carried.

Consultant Report

Mr. Galanis reviewed the valuation report for month ending April 30, 2010. The fund is valued at \$168,770,896.65 up \$614,283.02 from the previous month.

The Total Fund was up .60%. Smith Group was up 3.32% and Eagle Global was down 2.70%. The current asset allocation includes 51.14% in fixed income, 44.74% in equity, and 4.12% in cash.

According to Mr. Galanis Emerging Markets are trading on the American Stock Exchange. Five percent of the Retirement Systems portfolio is in Emerging Markets. He

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informed the Retirement Board that the next step in the process is to search for an Emerging Market Manager.

Old Business

- Legal contract – Chairman Thompson stated with the Voluntary Early Retirement Program and Universal Time Purchase he has not had time to work on the RFP. He will continue to work on it once the Early Retirement Window closes.

New Business - None

Trustee Comments

Mr. Thompson would like the hotel and registration information for everyone who plans on attending the MAPERs educational seminar.

Motion by James Morgan, supported by William Sisk for legal counsel to submit part-time policy draft. Motion carried.

Motion by James Morgan, supported by William Myers to adjourn. Motion carried. Meeting adjourned at 6:45 P.M.

Respectfully Submitted,

David Thompson, Chairman
Monroe County Employees Retirement System
Board of Trustees