

**Minutes of the Regular Meeting of the
Board of Trustees of the Monroe County
Employees Retirement System**

Regular meeting of the Board of Trustees of the Monroe County Employees Retirement System held on August 25, 2008 at 5:00 P.M. in the Board of Commissioner's Meeting Room at 125 E. Second St., Monroe, Michigan.

PRESENT: Clayton Charron, Nancy Colpaert, Jim Davies (arrived at 5:10), George Jondro, Pam Jones, Henry Lievens, Jim Morgan and William Sisk.

ABSENT: David Thompson and Charles Londo, excused

ALSO PRESENT: Debra Elmore, Retirement Specialist; Sam Galanis and Michael Cho, Consultants and Thomas Michaud, Legal Counsel

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

Motion by George Jondro, supported by Bill Sisk to approve the minutes of the July 28, 2008 meeting as submitted. All in favor, motion carried.

Motion by Pam Jones, supported by Nancy Colpaert to approve the agenda as submitted. All in favor, motion carried.

Citizens Time – none

Presentations – Michael Wasz, Templeton Portfolio Advisors

Mr. Wasz stated that the International Equity Market has not done well this year. The fund is at a -14.4% for period ending 06/30/08 while the MSCI AC World ex-U.S. index is at -9.8% and the MSCI EAFE Index is -10.6%. Templeton is looking to add to Financials over the next few quarters.

Motion by George Jondro, supported by Jim Davies to approve consent agenda as submitted below:

A. Retirements	Georgia Siffer, District Court	August 1
	John Chalfa, Circuit Court	August 2
	Dan Brooks, Probate Court, deferred	August 5

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B. Financial Reports – On File with Retirement Specialist

1. Comerica Bank Consolidated Statement, Cash Account Statement, AllianceBernstein Capital Management, Anchor Capital Advisors, Boyd Watterson Asset Management, Brandywine Asset Management Global, Brandywine Asset Management LCV, NWQ Investment Management and International Value Equity, Pacific Income Advisors and Templeton Portfolio Advisors for period 07/01/08 through 07/31/08 and Securities Lending for June, 2008.
2. Anchor Capital Advisors portfolio summary for period ending June 30, 2008.
3. Boyd Watterson Client Statement for period ending July 31, 2008.
4. Brandywine Global Fixed Income and Large Cap Value portfolio for July 2008.
5. Morgan Stanley vision account for AllianceBernstein, Anchor Capital Management, Brandywine Global, NWQ International and LCV, Renaissance Group and Smith Asset Management Group for period ending July 31, 2008.
6. NWQ Investment Management Company investment portfolio and transaction summary for period ending June 30, 2008.
7. Pacific Income portfolio appraisal for period ending July 31, 2008.
8. Templeton Portfolio Advisors portfolio quarterly report as of June 30, 2008.

C. Communication

1. Anchor Capital Advisors Investment Policy Outlook for July 2008.
2. Brandywine Global Investment July 2008 Market Commentary.
3. GRS News Scan for July 2008.
4. NWQ Investment Management Company Market Update for June 30, 2008.

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All in favor, motion carried.

Invoices

Motion by Pam Jones, supported by Bill Sisk to approve for payment the following invoices, subject to house audit:

1. Invoice dated June 1, 2008 in the amount of \$800.00 from Comerica Commercial Card Service for registration fees for four trustees to attend the MAPERS 2008 Fall Conference.
2. Invoice dated July 1, 2008 in the amount of \$15,027.84 from Anchor Capital Advisors for investment management services for 2nd quarter 2008.
3. Invoice #80330608 dated July 28, 2008 in the amount of \$23,200.76 from Brandywine Global Investment Management for investment management services for 2nd quarter 2008.
4. Invoice #342836 - \$3,853.20 and Inv. #342312 - \$12,914.47 from Comerica Bank for custodial services rendered for 2nd quarter 2008.
5. Invoice #1100006176 dated July 28, 2008 in the amount of \$38,339.18 from Franklin Templeton Investment for investment management fees for 2nd quarter 2008.
6. Invoice #1220 dated August 1, 2008 in the amount of \$114.88 from Monroe County Finance Department for July 2008 postage.
7. Invoice dated August 18, 2008 in the amount of \$64,543.67 from Morgan Stanley for management of Vision Accounts for 2nd quarter 2008.
8. Invoice dated July 25, 2008 in the amount of \$1,200.00 from Michael Vredevoogd, P.C. for the independent re-examination of disability retiree Ronald Whited.

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All in favor, motion carried.

Refunds - none

Retirement Payments

Motion by Henry Lievens, supported by Nancy Colpaert to pay the following retirement payments:

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|----|--|------------|
| 1. | Daniel J. Brooks, Probate Juvenile, deferred
(pro-rated for August) | \$ 935.28 |
| 2. | Michael A. Cerelli, Monroe County Library | \$ 360.95 |
| 3. | John Chalfa, Circuit Court
(pro-rated for August) | \$ 494.70 |
| 4. | Kay Moore, Animal Control
(July – 577.17; August – 1,957.21) | \$2,534.38 |
| 5. | Georgia Siffer, District Court | \$1,562.59 |

All in favor, motion carried.

Communications

1. Application from Frank Spreeman, Human Resources Director requesting to purchase two years and four months of previous service credit.

Motion by Jim Davies, supported by Nancy Colpaert to accept, place on file and grant the request. All in favor, motion carried.

2. Independent medical examination of disability retiree Ronald Whited dated June 25, 2008 from Diane K. Klisz-Karle, Ph.D.

Motion by Clayton Charron, supported by George Jondro to accept and place on file. All in favor, motion carried.

3. Communication dated August 12, 2008 from Monroe County Road Commission concerning a window allowing qualified members of the AFSCME, Local 839 group to retire during the period of September 1, 2008 through October 31, 2008. The actuarial analysis performed by Gabriel, Roeder and Smith is included.

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Motion by George Jondro, supported by Jim Davies to accept and place on file.
All in favor, motion carried.

Proposed Resolutions

Motion by Nancy Colpaert, supported by Pam Jones to accept and place on file
the following resolutions:

1. Monroe County Road Commission Resolution – Window Retirement
2. Bernard a. Margolis, Library – Application for Deferred Retirement
3. Daniel Brooks, Probate Juvenile – Deferred Retirement
4. Ronald Whited, Sheriff's Office – Disability Retirement Re-examination
5. Michael A. Cerelli, Library – Service Retirement
6. John Chalfa, Circuit Court – Service Retirement
7. Kay Moore, Animal Control – Service Retirement
8. Georgia Siffer, District Court – Service Retirement

All in favor, motion carried.

Attorney Report

Mr. Michaud presented the securities litigation updates and asked the Board if they had any questions. Motion by Bill Sisk, support by George Jondro to accept and place on file. All in favor, motion carried.

Consultant's Report

Mr. Galanis reviewed the evaluation update for the period ending July 31, 2008. The fund is at \$174,577,044.89 from \$176,489,368.11, down almost \$2 million from the June 30, 2008 report. Boyd Watterson, Brandywine Global and Large Value, Diamond Hill, Pacific Income, Renaissance and Smith Group held their own.

Mr. Galanis also review the 2nd quarter 2008 performance report. The total fund was at -1.10% for the quarter and year to date at -5.09% as opposed to the policy index which was at -1.9% for the 2nd quarter and -5.26% year to date.

The Board of Trustees wanted to contact Mr. Thompson to see if he wanted to call a special meeting before the September 22 to discuss the manager comparisons before deciding to hire an International Growth Manager. Retirement Specialist will contact Mr. Thompson.

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Old Business

- Updated Policies & Procedures – legal done, waiting on disc
- Disability Retiree Re-exams
 - David Funk – trying to find doctor
 - Ronald Whited – report on agenda under Item 8-2.
- Certification of Earnings for Disability Retirees – will have a report for September 22 meeting

New Business - none

Trustee Comments

Retirement Specialist told the Board that she would not be retiring on May 1, 2009.

Motion by George Jondro, supported by Pam Jones to adjourn. All in favor, motion carried. Meeting adjourned at 5:40 P.M.

Respectfully Submitted,

James Morgan, Vice Chairman
Monroe County Employees Retirement
System Board of Trustees