

**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 November 24, 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, George Jondro, Pam Jones, Henry Lievens, Jim Morgan (left at 5:25), William Sisk and David Thompson.

ABSENT: William Sisk, excused; Henry Lievens, absent.

ALSO PRESENT: Debra Elmore, Retirement Specialist; Charles Londo, 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 George Jondro, supported by Pam Jones to approve the minutes of the October 27, 2008 meeting as submitted. All in favor, motion carried.

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

**Citizens Time** – none

**Presentations** – none

Motion by Jim Davies, supported by Pam Jones to approve consent agenda as listed below:

**A. Retirements** - none

**B. Financial Reports – On File with Retirement Specialist**

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1. Comerica Bank Consolidated Statement, Cash Account Statement, 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, Renaissance Investment Management, Smith Group Asset Management and Templeton Portfolio Advisors for period 10/01/08 through 10/31/08 and Securities Lending for September, 2008.
2. Anchor Capital Advisors portfolio summary for period ending September 30, 2008.
3. Brandywine Global Fixed Income and Large Cap Value portfolio for October 2008.
4. Morgan Stanley vision account for Anchor Capital Management, Brandywine Global, NWQ International and LCV, Renaissance Group and Smith Asset Management Group for period ending October 31, 2008.
5. Pacific Income Advisors portfolio appraisal for period ending October 31, 2008 and fixed income quarterly report for 3<sup>rd</sup> quarter 2008.
6. Templeton Portfolio Advisors portfolio quarterly report as of September 30, 2008.

**C. Communication**

1. Anchor Capital Advisors Investment Policy Outlook for October 2008.
2. Boyd Watterson Quarterly Investment Outlook for October 2008.
3. Vote summary report for 3<sup>rd</sup> quarter 2008 from Franklin Templeton.
4. Various letters from NWQ Investment Management Company.
5. Various letters from Tradewinds Global Investors.

All in favor, motion carried.

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**Invoices**

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

1. Invoice dated October 1, 2008 in the amount of \$13,945.29 from Anchor Capital Advisors for investment management fees for 3<sup>rd</sup> quarter 2008.
2. Invoice #345584 - \$2,866.86 and Invoice #345583 – \$12,278.28 from Comerica Bank for custodial fees for 3<sup>rd</sup> quarter 2008.
3. Invoice dated October 31, 2008 in the amount of \$300.00 from Comerica Commercial Card Services for one trustee to attend the 2008 MAPERS Fall Educational Seminar.
4. Invoice #0010-576-07 dated November 4, 2008 in the amount of \$35,32 from County of Monroe Printing for Retirement Summary Report.
5. Invoice #1291 dated November 3, 2008 in the amount of \$5.62 from Monroe County Finance Department for October 2008 postage.
6. Invoice dated October 20, 2008 in the amount of \$10,132.00 from Pacific Income Advisors for investment management fees for 3<sup>rd</sup> quarter 2008.
7. Invoice dated October 24, 2008 in the amount of \$11,405.48 from Renaissance Investment Management for investment management fees for 3<sup>rd</sup> quarter 2008.
8. Invoice dated October 23, 2008 in the amount of \$5,407.50 from VanOverbeke, Michaud & Timmony, P.C. for legal services rendered to the Retirement Board for 3<sup>rd</sup> quarter 2008.
9. Reimbursement in the amount of \$321.75 to Henry Lievens for expenses incurred at the 2008 MAPERS Fall Educational Seminar.
10. Reimbursement in the amount of \$39.78 to Debra Elmore for mileage for the One-Day Educational Seminar in Troy, Michigan.

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All in favor, motion carried.

**Refunds**

Motion by Nancy Colpaert, supported by Jim Morgan to approve the following refunds:

- |    |   |            |
|----|---|------------|
| 1. | Antwan Brown, Monroe County Road Commission                           | \$7,169.48 |
| 2. | Jamie Fick, Sheriff's Office  | \$6,381.06 |
| 3. | Harry Lawson, surviving spouse of Melissa Lawson,<br>Sheriff's Office | \$8,716.31 |

All in favor, motion carried.

**Retirement Payments - none**

**Communications**

1. Communication dated November 13, 2008 from Boyd Watterson concerning merger with Titanium Asset Management Corp.

Mr. Galanis told the Board that the Due Diligence Department hasn't had a chance to look into the merger, but he doesn't think there is a problem since it seems to be a business merger only. Mr. Michaud said it is a consent to assign and the entity should accept the current contract the Retirement System has with Boyd Watterson. Motion by Clayton Charron, supported by George Jondro to accept and place on file. All in favor, motion carried.

2. Communication dated September 26, 2008 from Comerica Bank concerning increase in fees.

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

3. Communication dated October 21, 2008 from James Brown, HR Director from Monroe Community Mental Health Authority concerning their request for a seat on the Retirement Board.

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Mr. Thompson explained to Mr. Brown that the Board of Trustees is an administrative body only but that he could send the letter anyway if he desired and has no authority for the makeup of the Board. Motion by Clayton Charron, supported by Pam Jones to accept, place on file and send a letter to Mr. Brown. All in favor, motion carried.

4. Communication dated November 24, 2008 from David Thompson concerning the December 4, 2008 Trustee election.

Motion by Jim Morgan, supported by George Jondro to accept, place on file and post the letter. All in favor, motion carried.

5. Communication dated November 12, 2008 from Nancy Colpaert, Director of the Monroe County Library System concerning issuance of 13<sup>th</sup> checks for 2008.

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

6. Application from Jeff Doom, Monroe County Drain Commission employee requesting to purchase one year and one month of CETA Service time.

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

7. Application from Debra Wrobel, District Court employee requesting to purchase one year and six months of CETA Service Time.

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

8. Application for Deferred Service Status from Jean Dilley, former employee Prosecuting Attorney's office.

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

9. Application from Robert Oetjens, Monroe County Sheriff's Office employee to purchase one year and two months of Military Service Time.

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

**Proposed Resolutions**

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

1. Jennifer Cline, County Clerk – Application for Service Retirement
2. Robert Oetjens, Sheriff's Office – Purchase of Military Service Time

All in favor, motion carried.

**Attorney Report**

Mr. Michaud reviewed the Settlement Report as presented. He also reviewed the Securities Lending Program. Sigma was AAA rated and is now down to zero with a \$365,000.00 loss. Some of this may be recouped through bankruptcy but will take time. This is supposed to mature at the end of May 2009. Comerica has waived their fee to offset loss. The difference could come out of the Retirement Board's pocket to the Securities Lending program. He suggested Comerica to come out and explain and that Comerica should be giving updates to their clients.

Mr. Michaud also gave a legislative update on Act 314 amendments. HB 6500 has passed Congress and will go on the Senate. They hope to have it approved by the end of the year.

Mr. Michaud advised the Board that plan assets could be used to educate Board Trustees.

**Consultant's Report**

Mr. Galanis reviewed the valuation report for month ending October 31, 2008. The fund is valued at \$143,174,221.64 down \$17,530,896.39 from the previous month.

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Mr. Galanis also reviewed the 3<sup>rd</sup> quarter valuation report. The total fund is down (8.57%) for quarter as opposed to the policy index, which is down at (4.70%). Large Value took a hit – Brandywine –11.65, NWQ Large Value to policy index at –5.78. Alpine International real estate was at –36.01 with the MSCI World Real Estate index at –12.25.

Mr. Galanis would like to hold off on the Investment Policy Statement review until the Act 314 is ready, probably until the 1<sup>st</sup> quarter of 2008.

**Old Business**

- Disability Retiree Re-exams
  - David Funk – setting up appointment

Having difficulty finding a doctor to do Mr. Funk's re-examination

**New Business**

Due to the Early Retirement Incentive that the County is offering to employees, Deb Elmore will be retiring on May 1, 2009. Charles Londo and Dave Thompson will be meeting to discuss replacement and will report back to the Board at next month's meeting.

**Trustee Comments**

The Trustees all congratulated Pam Jones on her re-election and said that they would miss Deb Elmore when she retires next year.

Motion by Jim Morgan, supported by George Jondro to adjourn. All in favor, motion carried. Meeting adjourned at 5:50 P.M.

Respectfully Submitted,

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