

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

AGENDA

TUESDAY, DECEMBER 8, 2015

(Immediately Following the Retirement Board of Trustees' Meeting @ Approximately 2:30 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 - 5 .....	1.	OCTOBER 22, 2015 SPECIAL MEETING
6 - 11 .....	2.	NOVEMBER 10, 2015 REGULAR MEETING
	IV.	PUBLIC INPUT
	A.	<b>DODGE &amp; COX</b>
	1.	HALLIE MARSHALL, PORTFOLIO MANAGER
	B.	<b>LORD ABBETT</b>
	1.	CHARLES HOFER, CFA, PARTNER INVESTMENT STRATEGIST, EQUITY & BRIAN ROACH, CRPS, DIRECTOR INSTITUTIONAL INVESTOR SERVICES
	C.	<b>C.S. MCKEE</b>
	1.	GENE NATALI, CFA, SENIOR VICE PRESIDENT
12 - 21 .....	D.	MONTHLY REPORTS - <b>Res No. 2015 -20</b>
	1.	PORTFOLIO VALUE 1/01/15 -11/30/15
	2.	CHANGE IN BOOK AND MARKET VALUE -10/31/15
	3.	MONEY MANAGER REPORTS
	a.	C.S. MCKEE - PORTFOLIO ENDING 10/31/15
	4.	RECAPTURE SERVICES
	a.	CAPIS - ENDING 10/31/15
	5.	VEBA YTD BUDGET REPORT 11/30/15
	6.	INVOICES APPROVED -11/30/15
22 .....	E.	INVESTMENT CONSULTING AGREEMENT AUTHORIZATION <b>RES NO 2015-18</b>
23 - 24 .....	F.	NOTICE OF PUBLIC MEETINGS <b>RES NO 2015-19</b>

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION**

**AGENDA**

**TUESDAY, DECEMBER 8, 2015**

(Immediately Following the Retirement Board of Trustees' Meeting @ Approximately 2:30 P.M.)

**COMMISSIONERS CHAMBERS  
515 CENTER AVENUE - 4<sup>TH</sup> FLOOR  
BAY CITY, MI 48708**

V. ANNOUNCEMENTS

- A. NEXT REGULAR MEETING - TUESDAY, JANUARY 12, 2016  
IMMEDIATELY FOLLOWING THE RETIREMENT BOARD OF  
TRUSTEES MEETING AT APPROXIMATELY 2:30 P.M. ,  
COMMISSIONERS CHAMBERS, 515 CENTER AVENUE - 4<sup>TH</sup>  
FLOOR, BAY CITY, MI 48708

VI. UNFINISHED BUSINESS

VII. NEW BUSINESS

VIII. MISCELLANEOUS BUSINESS

IX. ADJOURNMENT

**MINUTES** BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
OCTOBER 22, 2015 MINUTES VEBA - SPECIAL MEETING

PAGE 1

**NOTE: In addition to these typed minutes, this Board meeting was also taped. These audio files are available for review in the Retirement Office.**

The meeting of the Board of Trustees was held on October 22, 2015 at 3:58 p.m. in the Commission Chambers, 4<sup>th</sup> Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. Roll was taken.

**Trustees Present:** Chairperson Gray, Mr. Brzezinski, Mr. Herek, Mr. Morse, and Mr. Pett.

**Trustees Absent:** Mr. Coonan, Ms. Goetz Mr. Gromaski, and Mr. Starkweather.

**Also Present:**

Consultant: The Bogdahn Group: Howard Pohl and Peter Brown.

Finance Officer: Crystal Hebert

Retirement Administrator: Rebecca Marsters

The meeting was called to order by Chairman, Steve Gray at 3:58 p.m.

**Motion 47:** Moved, supported and carried to excuse Mr. Coonan Ms. Goetz, Mr. Gromaski, and Mr. Starkweather.

Mr. Peter Brown from The Bogdahn Group discussed the handout that was presented to the Board detailing the four money managers they had for comparison to replace Atalanta Sosnoff. Looking at the first two, Fred Alger and MFS, these are more broad-based portfolios which have anywhere from just under 100 to 130 stocks. The other two are Wells and Winslow which have more concentrated portfolios anywhere from 50 to 70 stocks to 75 to 95 stocks. These are large-cap growth strategies and with that comes various levels of volatility. Some do better in terms of when the market is being aggressive and going straight up like it Fred Alger. Others do better when the market is kind of going sideways like Wells.

He stated the reasons for looking at MFS. The Board already has a relationship with them through the Pension and they were able to negotiate a similar fee structure, which is one of the lower fee structures. They are looking at 57 basis points. He stated looking at protecting on the downside MFS is a manager that does a better job of being less volatile especially when we see downturn in the marketplace.

Mr. Pohl stated one of the things you'll see is that all of these firms have very similar certain characteristics and are pretty much what we call bottom-up managers. There are some slight differences in terms of how they define future earnings growth and some of the characteristics. But from your standpoint those are kind of immaterial and not things that are crucial.

Mr. Brown went over the chart on page 5 of the handout comparing the performance of Alger, MFS, Winslow and Wells over the last 5 and 10 years.

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)**  
**OCTOBER 22, 2015 MINUTES VEBA - SPECIAL MEETING**

PAGE 2

The last five years have been almost straight up and if you look at the performance of these managers they were all above index. On average they are all doing better than the index but in this case the last five years the best performer was Alger at 20.18%. MFS was in the top 39% at 18.86. Wells and Winslow numbers within index at 18.59. He also went through the numbers during down market with all of them in the top quartile and Alger and Wells in the top decile. He went over the up and down market capture. The down-market capture showed MFS down at 100% and the others showed down 110% to 130%, more than the benchmark.

Mr. Brown stated what this is describing is how volatile are these managers compared to the market. He talked about MFS capturing everything that the market does going up and only a fraction of what goes down. Where the others do a little bit more but they do more on both sides so it is a more volatile portfolio. This kind of pendulum is what we talked about before in terms of the way we structure your fund is to try to participate on the upside and protect on the downside within your equities. This is why we suggested MFS more than the others simply because it had better downside protection while still fitting well with your other managers in the VEBA.

They answered questions of the board and concluded their presentation.

**MOTION 48:** Moved, supported and carried to hire MFS to replace Atalanta Sosnoff.

Roll call vote:

Brzezinski- Yes

Coonan - Absent

Goetz - Absent

Gromaski - Absent

Herek - No

Gray - Yes

Morse- Yes

Pett- Yes

Starkweather - Absent

Motion failed no quorum.

Trustee Herek discussed his decision. He changed his vote to yes.

Another roll call vote was taken.

Roll Call Vote:

Brzezinski -Yes

Coonan - Absent

Goetz - Absent

**MINUTES** BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
OCTOBER 22, 2015 MINUTES VEBA - SPECIAL MEETING

PAGE 3

Gray - Yes  
Gromaski - Absent  
Herek - Yes  
Morse - Yes  
Pett- Yes  
Starkweather - Absent

Motion carries.

**ANNOUNCEMENTS:**

- A. Next regularly scheduled meeting will be Tuesday, November 10, 2015 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in Commissioner's Chambers, 515 Center Avenue - 4<sup>th</sup> Floor, Bay City, MI 48708.

**UNFINISHED BUSINESS:**

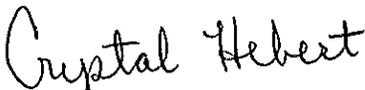
**NEW BUSINESS:**

**MISCELLANEOUS BUSINESS:** None

**ADJOURNMENT:**

**MOTION 49:** Moved, supported and carried to adjourn the meeting at 3:58 p.m.

Respectfully submitted,



Crystal Hebert  
Finance Officer/Secretary

Transcribed by: Tracy Cederquist

**MEETING OF THE V.E.B.A. BOARD OF TRUSTEES COMMITTEE  
OCTOBER 22, 2015 SPECIAL MEETING**

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4<sup>TH</sup> FLOOR,  
 BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIR STEVE GRAY AT 3:58P.M.

**Motions**

TRUSTEE	47	48	49							
BRZEZINSKI	Y	M-Y	Y							
COONAN	E	E	E							
GOETZ	E	E	E							
GRAY	Y	Y	Y							
GROMASKI	E	E	E							
HEREK	Y	N	Y							
MORSE	S-Y	Y	S-Y							
PETT	M-Y	S-Y	M-Y							
STARKWEATHER	E	E	E							

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

**MEETING OF THE V.E.B.A. BOARD OF TRUSTEES COMMITTEE**  
**OCTOBER 22, 2015 SPECIAL MEETING**

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4<sup>TH</sup> FLOOR,  
 BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIR STEVE GRAY AT 3:58P.M.

**Motions**

<b>TRUSTEE</b>	<b>47</b>	<b>48</b>	<b>49</b>							
BRZEZINSKI	Y	M-Y	Y							
COONAN	E	E	E							
GOETZ	E	E	E							
GRAY	Y	Y	Y							
GROMASKI	E	E	E							
HEREK	Y	N	Y							
MORSE	S-Y	Y	S-Y							
PETT	M-Y	S-Y	M-Y							
STARKWEATHER	E	E	E							

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

**MINUTES** BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
NOVEMBER 10, 2015 MINUTES VEBA

PAGE 1

**NOTE: In addition to these typed minutes, this Board meeting was also taped. These tapes are available for review in the Retirement Office.**

The meeting of the Board of Trustees was held on NOVEMBER 10, 2015 at 3:25 p.m. here in the Commission Chambers, 4<sup>th</sup> Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. Roll was taken.

**Trustees Present:** Chairperson Gray, Mr. Brzezinski, Mr. Coonan, Ms. Goetz, Mr. Gromaski, Mr. Morse, Mr. Pett, Mr. Starkweather.

**Trustees Absent:** Mr. Herek.

Mr. Herek arrived at 3:30 p.m.

**Also Present:**

Consultant: The Bogdahn Group: Howard Pohl and Peter Brown.

Finance Officer: Crystal Hebert

Retirement Administrator: Rebecca Marsters

The meeting was called to order by Chairman, Steve Gray at 3:25 p.m.

**MOTION 54:** Moved, supported and carried to approve the minutes, as printed, from the October 13, 2015 regular meeting.

Mr. Gray called for public input. As there was no public input, he moved onto petitions and communications.

Present today is Mr. Howard Pohl and Mr. Peter Brown from The Bogdahn Group for the third quarter report. A copy of his presentation was provided to Trustees, in advance, via the web.

Mr. Brown went through a market recap of the first 9 months of the physical year. The portfolio declined by about \$2 million. That was a result of unrealized decline in the market. It ended with a total value of currently \$40,927,000. It has recovered strongly and as of Friday it was actually up over \$43 million.

He went over recap of the asset allocations. The Fund is slightly over allocated in stock and slightly under allocated fixed income. That is result of the stock outperforming REITS.

With the comparative performance there was a decline in the third quarter and the Fund was down 4.5% more so than the policy but less so than the meeting of all funds. That put the Fund in the 42<sup>nd</sup> percentile, better than median but

MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
NOVEMBER 10, 2015 MINUTES VEBA

PAGE 2

slightly below the policy. It is down about 3% compared to the policy which is down about 2.75% so slightly below the median and slightly below the policy. On a rolling one-year basis to September, the portfolio is positive albeit just at 15 basis points, which is below the policy, which is up 84 but better than the median which is down 62. It ended up a top third performer but slightly below the policy. Compared to similar funds that have similar allocations the performance is similar to the Pension fund but better on a relative basis. It ranks in the top quartile; 18% for the quarter and better than median on the fiscal year basis and top quartile on the one year.

The driver of the negative performance was the exposure to stocks. Domestic equities are down for the quarter about 8%. That is more than the Russell 3000 which was down 7.25%. A lot of that is our exposure to the mid and small caps. In one year basis, in the portfolio, the stocks are down about 2% compared to the policy down 1.25%. That put us below the policy also towards the bottom quartile.

The underlying managers themselves had mixed performance. They were below underlying indices except value. Growth managers underperformed and value outperformed.

Dodge & Cox was down almost 10% compared to the Russell 1000 large-cap value of 8.4% and that put it in the bottom quartile. Over the fiscal year, they are really a median manager and on a long-term basis they are a top decile manager. They did have a very strong November and they are up almost 8% through last Friday. A lot of that was a result of exposure to financial and healthcare and technology.

Atalanta Sosnoff, which we are in the process of replacing, is down 6.3% compared to the Russell 1000 which was down 5%. They are below median.

Lord Abbett, which is their Smid-value performed better than expected. They were down 8% compared to the Russell 2500 value down 9.6% and that led them to be within the top quartile. Similarly on a fiscal in one-year basis they continued outperform. They are actually positive on a rolling one-year basis versus index, which is negative, and up with the top decile.

CS McKee, in the fixed income allocation, was positive. They are right in line with the Barclays aggregate at 1.25% in the Ag up 1.23% that made them a top third performer. Over the fiscal year to date up 1.8% versus 1.1%. That resulted in top decile performance.

We have experienced volatility and are in the process of making some changes. There are no other recommendations or changes.

Motion 55: Moved, supported and carried to receive the third quarter report from Bogdahn.

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)**  
NOVEMBER 10, 2015 MINUTES VEBA

PAGE 3

Res NO. 2015-16

Moved, supported and carried to adopt Res No. 2015-16 to receive the monthly reports: Portfolio Value ending 10/31/15 (current value \$42.2 million), Monthly Change in Book & Market Value ending 9/30/15, Atalanta Sosnoff ending 9/30/15, C.S. McKee performance report ending 9/30/15, CAPIS recapture services ending 9/30/15, VEBA YTD Budget report ending 10/31/15, and Invoices Approved Report ending 10/31/15.\_

Transition management agreement.

Res. 2015-17:

Moved, supported and carried to adopt resolution 2015-17 That this Board authorize the Board Chair to enter into a Transition Services Agreement With Northern Trust to facilitate transition services for VEBA.

Further Be It;

RESOLVED That upon favorable review/approval by Corporation Counsel, the Chairman of the Board is authorized to execute the agreement.

It was clarified for Trustees that there has not previously been a transition manager on file for VEBA in the past.

Mr. Pohl stated in the future with they may come up with another transition agreement from CAPIS, one of the commission brokerage firms. The idea is in the future potentially to have two different agreements and they can both give you proposals at the same time. At that point in time leave it up to the Finance area to who might be the better in that particular transition much like you have allocated the ability to work with us on complex proxy things they might come directly to you rather than managers.

Res 2015-15:

Moved, supported and carried to adopt res no 2015-15 approving the 2016 speaker schedule.

**ANNOUNCEMENTS:**

- A. Next regularly scheduled meeting will be Tuesday, December 8, 2015 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in Commissioner's Chambers, 515 Center Avenue - 4<sup>th</sup> Floor, Bay City, MI 48708.

**UNFINISHED BUSINESS:**

**NEW BUSINESS:**

**MISCELLANEOUS BUSINESS:** None



**MEETING OF THE V.E.B.A. BOARD OF TRUSTEES COMMITTEE**  
November 10, 2015

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4<sup>TH</sup> FLOOR,  
 BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIR STEVE GRAY AT 3:25 P.M.

**Motions**

TRUSTEE	54	55	56							
BRZEZINSKI	Y	Y	S-Y							
COONAN	Y	Y	Y							
GOETZ	Y	Y	Y							
GRAY	Y	Y	Y							
GROMASKI	Y	S-Y	Y							
HEREK	Y	M-Y	Y							
MORSE	S-Y	Y	Y							
PETT	M-Y	Y	Y							
STARKWEATHER	Y	Y	M-Y							

TRUSTEE	11	12	13	14	15	16	17	18	19	20
BRZEZINSKI										
COONAN										
GOETZ										
GRAY										
GROMASKI										
HEREK										
MORSE										
PETT										
STARKWEATHER										

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

**MEETING OF THE **VEBA** BOARD OF TRUSTEES COMMITTEE**  
NOVEMBER 10, 2015

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4<sup>TH</sup>  
 FLOOR,  
 BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIRPERSON STEVE GRAY 3:25 P.M.

**RESOLUTIONS**

TRUSTEE	15	16	17							
BRZEZINSKI	Y	S-Y	Y							
COONAN	Y	Y	Y							
GOETZ	Y	Y	Y							
GRAY	Y	Y	Y							
GROMASKI	Y	Y	Y							
HEREK	Y	M-Y	Y							
MORSE	M-Y	Y	S-Y							
PETT	S-Y	Y	M-Y							
STARKWEATHER	Y	Y	Y							

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
12/08/2015  
RESOLUTION**

BY: BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION BOARD

RESOLVED By the Bay County Voluntary Employees' Beneficiary Association Board that the following reports are received:

- 1. PORTFOLIO VALUE - 1/1/15 - 11/30/15
- 2. CHANGE IN BOOK AND MARKET VALUE - 10/31/15
- 3. MONEY MANAGER REPORTS
  - a. C.S. MCKEE - ENDING 10/31/15
- 4. RECAPTURES SERVICES
  - a. CAPIS - SUMMARY ENDING 10/31/15
- 5. VEBA YTD BUDGET REPORT - ENDING 11/30/15
- 6. INVOICES APPROVED - 11/30/15

STEVE GRAY, CHAIR  
AND BOARD

MONTHLY REPORTS DECEMBER

MOVED BY TRUSTEE \_\_\_\_\_

SUPPORTED BY TRUSTEE \_\_\_\_\_

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski				Steve Gray				Jon Morse			
Kim Coonan				Richard Gromaski				Matthew Pett			
Kristal Goetz				Thomas Herek				Thomas Starkweather			

Vote Totals:  
 Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Voice: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
 Disposition: Adopted \_\_\_\_\_ Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
 Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

VEBA 2015	<u>DODGE &amp; COX</u> <small>no vendor number. Mutual Fund Mgrs (as opposed to separately managed mgrs) deduct fee from portfolio.</small>	<u>CASH</u>	<u>ATALANTA SOSNOFF</u> 1061	<u>LORD ABBOTT</u> <small>no vendor number. Mutual Fund Mgrs (as opposed to separately managed mgrs) deduct fee from portfolio.</small>	<u>CS MCKEE</u> 3509	<u>TOTAL</u>
VENDOR #						
JAN	9,372,807.82	242,295.57	9,238,500.71	7,037,168.25	15,638,042.35	41,528,814.70
FEB	9,962,923.15	249,127.39	9,745,731.68	7,468,844.28	15,512,818.11	42,939,444.61
MARCH	9,503,389.19	127,069.94	9,346,981.59	7,533,533.53	16,301,909.64	42,812,883.89
APRIL	9,759,073.66	118,394.44	9,323,633.72	7,461,656.59	16,255,829.65	42,918,588.06
MAY	9,889,876.45	90,416.89	9,466,375.99	7,523,180.66	16,228,630.68	43,198,480.67
JUNE	9,746,608.25	94,887.29	9,387,431.67	7,523,180.66	16,098,961.56	42,851,069.43
JULY	9,856,782.12	122,254.13	9,694,347.47	7,541,149.89	16,187,962.71	43,402,496.32
AUG	9,171,435.83	155,594.49	9,045,038.09	7,175,026.45	16,188,549.01	41,735,643.87
SEPT	8,787,357.99	118,999.53	8,793,993.42	6,926,976.49	16,301,324.34	40,928,651.77
OCT	9,482,978.60	161,932.44	9,714,099.64	7,250,499.00	16,338,025.92	42,947,535.60
NOV	9,436,387.19	184,096.93	9,752,744.38	7,291,828.82	16,345,694.97	43,010,752.29
DEC						0.00

ATALANTA SOSNOFF      LARGE CAP EQUITY  
CS MCKEE                FIXED INCOME  
DODGE & COX            LARGE CAP EQUITY  
LORD ABBETT            SMALL MID CAP EQUITY

	<u>DODGE &amp; COX</u>	<u>ATALANTA SOSNOFF</u> VENDOR 1061	<u>ABBOTT</u>	<u>CS MCKEE</u> VENDOR 3509	<u>TOTAL</u>
2015					
1ST QTR		17,819.00		12,223.31	30,042.31
2ND QTR		17,525.00		12,078.61	29,603.61
3RD QTR		11,734.00		12,233.32	23,967.32
4TH QTR					0.00
		47,078.00		36,535.24	83,613.24

**Portfolio Statement**

OCT 15 - 31 OCT 15

ACCOUNT NUMBER: 001581A  
 ACCOUNT NAME: ELY COUNTY VEDA CONSOLIDATED

◆ Change in Book and Market Value

	Cost	Market value	For more information
Opening balance	36,775,149.48	40,928,650.18	
Miscellaneous Cash Receipts	481.50	481.50	See funding & disbursement summary
Sponsor Contributions	42,450.25	42,450.25	See funding & disbursement summary
Total receipts	42,931.75	42,931.75	See funding & disbursement summary
Income received	43,690.84	43,690.84	See income & expense summary, cash activity detail
Unrealized gain/loss change	0.00	1,893,560.73	See asset summary
Realized gain/loss	40,869.38	40,869.38	See realized gain/loss summary
Accrued income change	- 1,744.86	- 1,744.86	See income & expense summary
Closing balance	36,900,896.79	42,947,958.22	

H

**C.S. McKee, L.P.**  
Account Overview

Buy County VEBA

Client Code: 90477  
As of Date: 10/31/2015  
Report: Calendar

**Asset Allocation**

As of 10/31/2015

Asset Class	Value	Percentage
Large-Cap Equity	\$ 16,338,751.20	100.00%
Mid-Cap Equity	\$ -	0.00%
Small-Cap Equity	\$ -	0.00%
Fixed Income	\$ -	0.00%
Int'l Mutual Fund	\$ -	0.00%
Cash	\$ (17,576.48)	-0.11%
Other	\$ -	0.00%
<b>Total Portfolio:</b>	<b>\$ 16,338,751.20</b>	<b>100.00%</b>



**Performance**

As of 10/31/2015

Performance Metric	Total Portfolio	Large-Cap Equity	Mid-Cap Equity	Small-Cap Equity	Total Domestic Equity	Fixed Income	Int'l Mutual Fund
Beginning Market Value:	16,311,098.50	-	-	-	-	16,311,098.50	-
Net Contributions (Distributions):	(1.85)	-	-	-	-	(1.85)	-
Income:	33,244.95	-	-	-	-	33,244.95	-
Market Appreciation (Depreciation):	(5,580.40)	-	-	-	-	(5,580.40)	-
Ending Market Value:	16,338,751.20	-	-	-	-	16,338,751.20	-
Dollar-Weighted Return:	0.17%	-	-	-	-	0.17%	-

Period	Gross	Net	Benchmark	Value Added (Gross)	Value Added (Net)
YTD	2.09%	1.83%	1.83%	0.26%	0.00%
	2.09%	1.83%	1.83%	0.26%	0.00%
	2.09%	1.83%	1.83%	0.26%	0.00%
1 Year	2.91%	2.60%	1.96%	0.95%	0.64%
	2.91%	2.60%	1.96%	0.95%	0.64%
	2.91%	2.60%	1.96%	0.95%	0.64%
3 Year	2.13%	1.82%	1.65%	0.48%	0.17%
	2.13%	1.82%	1.65%	0.48%	0.17%
	2.13%	1.82%	1.65%	0.48%	0.17%
5 Year	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%
TTD	2.73%	2.44%	2.25%	0.48%	0.19%
	2.73%	2.44%	2.25%	0.48%	0.19%
	2.73%	2.44%	2.25%	0.48%	0.19%

Period	Total Portfolio	Large-Cap Equity	Mid-Cap Equity	Small-Cap Equity	Total Domestic Equity	Fixed Income	Int'l Mutual Fund
2/7/2012	16,311,098.50	-	-	-	16,311,098.50	16,311,098.50	-
10/31/2015	16,338,751.20	-	-	-	16,338,751.20	16,338,751.20	-

15



# Bay County, Michigan

12/02/2015 14:45  
 RMarsters | BAY COUNTY, MI  
 YEAR-TO-DATE BUDGET REPORT

P 1  
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FOR 2015 11

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
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7360 PUBLIC EMPLOYEE HEALTH CARE

73627401 VOL. EMPLOYEE BENEF. ASSOC. BOARD

RA FUND BALANCE, NET AS

73627401 40001 FUND BALANCE	0	0	.00	.00	.00	.00	.0%
73627401 40004 NET ASSETS - RESERVY	1,343,339	1,343,339	.00	.00	.00	1,343,339.00	.0%
TOTAL FUND BALANCE, NET AS	1,343,339	1,343,339	.00	.00	.00	1,343,339.00	.0%

RJ LOCAL UNIT CONTRIBUT

73627401 59401 ER CONTR-BEHAVE.HHA	0	0	.00	.00	.00	.00	.0%
73627401 59402 ER CONTR-MOSQUITO C	0	0	.00	.00	.00	.00	.0%
73627401 59403 ER CONTR-HEALTH FUN	0	0	.00	.00	.00	.00	.0%
73627401 59404 ER CONTR-ROAD COMM	0	0	.00	.00	.00	.00	.0%
73627401 59406 ER CONTR-LIBRARY	0	0	.00	.00	.00	.00	.0%
73627401 59407 ER CONTR-GOLF COURS	0	0	.00	.00	.00	.00	.0%
73627401 59408 ER CONTR-GENERAL FU	0	0	.00	.00	.00	.00	.0%
73627401 59409 ER CONTR-DMS	0	0	.00	.00	.00	.00	.0%
73627401 59410 ER CONTR-911 SERVIC	-38,200	-38,200	-27,765.26	-2,921.12	.00	-10,434.74	72.7%*
73627401 59411 ER CONTR-CHILD CARE	0	0	.00	.00	.00	.00	.0%
73627401 59412 ER CONTR-DIV ON AGI	0	0	.00	.00	.00	.00	.0%
73627401 59413 ER CONTR-RETIRE SYS	0	0	.00	.00	.00	.00	.0%
73627401 59415 ER CONTR-GYPSY MOTE	0	0	.00	.00	.00	.00	.0%
73627401 59416 ER CONTR-HOME REHAB	0	0	.00	.00	.00	.00	.0%
73627401 59418 ER CONTR-MED CARE F	0	0	.00	.00	.00	.00	.0%
73627401 59419 ER CONTR-10% TAX P	0	0	.00	.00	.00	.00	.0%
73627401 59424 ER CONTR-SELE INSUR	-310,000	-310,000	-185,649.18	-35,529.13	.00	-124,350.82	59.9%*
73627401 59427 ER CONTR-COMM CORRE	0	0	.00	.00	.00	.00	.0%
73627401 59429 ER CONTR-F.O.C. FUN	0	0	.00	.00	.00	.00	.0%
73627401 59430 ER CONTR-HOUSING FU	0	0	.00	.00	.00	.00	.0%
73627401 59433 ER CONTR-SOLIDIER RE	0	0	.00	.00	.00	.00	.0%
73627401 59499 ER CONTR-SHERIFF DE	0	0	.00	.00	.00	.00	.0%
TOTAL LOCAL UNIT CONTRIBUT	-348,200	-348,200	-253,414.44	-42,450.25	.00	-94,785.56	72.8%

RP INTEREST & RENTALS

73627401 66400 INVESTMENT INTEREST	-500,000	-500,000	-430,977.57	-1.18	.00	-69,022.43	86.2%*
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11

# Bay County Michigan

12/02/2015 14:45  
 RMasters  
 BAY COUNTY, MI  
 YEAR-TO-DATE BUDGET REPORT

P 2  
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FOR 2015 11

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73627401 66500 GAIN ON SALE OF INV	-1,100,000	-1,100,000	-1,020,405.95	.00	.00	-79,594.05	92.8%
73627401 66501 UNREALIZED GAIN ON	0	0	.00	.00	.00	.00	.0%
TOTAL INTEREST & RENTALS	-1,600,000	-1,600,000	-1,451,383.52	-1.18	.00	-148,616.48	90.7%
RR OTHER REVENUE							
73627401 67104 MISCELLANEOUS REVENUE	0	0	.00	.00	.00	.00	.0%
73627401 69000 COMMISSION RECAPTUR	0	0	-7,160.67	-481.50	.00	7,160.67	100.0%
TOTAL OTHER REVENUE	0	0	-7,160.67	-481.50	.00	7,160.67	100.0%
XE WAGES & SALARIES							
73627401 71000 PER DIEM	360	360	.00	.00	.00	360.00	.0%
TOTAL WAGES & SALARIES	360	360	.00	.00	.00	360.00	.0%
XI SUPPLIES							
73627401 72700 OFFICE SUPPLIES	100	100	.00	.00	.00	100.00	.0%
73627401 72800 PRINTING AND BINDING	150	150	.00	.00	.00	150.00	.0%
73627401 72900 POSTAGE	100	100	4.34	.00	.00	95.66	4.3%
73627401 75100 COMPUTER SUPPLIES	50	50	.00	.00	.00	50.00	.0%
TOTAL SUPPLIES	400	400	4.34	.00	.00	395.66	1.1%
XL OTHER SERVICES AND C							
73627401 80100 PROFESSIONAL SERVICE	100,000	100,000	71,379.92	11,734.00	.00	28,620.08	71.4%
73627401 80101 ACTUARIAL SERVICES	37,000	37,000	39,300.00	.00	.00	-2,300.00	106.2%*
73627401 81400 INVESTMENT/BANK SER	30,000	30,000	22,417.12	.00	.00	7,582.88	74.7%
73627401 81700 LEGAL FEES	7,500	7,500	.00	.00	.00	7,500.00	.0%
73627401 81900 CONSULTANTS	30,000	30,000	14,500.00	.00	.00	15,500.00	48.3%
73627401 86600 LOCAL TRAVEL MILEAGE	0	0	.00	.00	.00	.00	.0%
73627401 94601 EQUIPMENT RENTAL-CO	55	55	.00	.00	.00	55.00	.0%

81

# Bay County, Michigan

12/02/2015 14:45  
 RMarsters

BAY COUNTY, MI  
 YEAR-TO-DATE BUDGET REPORT

P  
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FOR 2015 11

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73627401 95600	INDIRECT COST EXPEN	6,046	5,028.15	.00	.00	1,017.85	83.2%
73627401 96200	LOSS ON DISPOSAL OF	391,000	426,263.97	.00	.00	-35,263.97	109.0%*
73627401 96201	UNREALIZED LOSS ON	0	.00	.00	.00	.00	.0%
73627401 96500	INSURANCE AND BONDS	2,500	2,937.45	.00	.00	-437.45	117.5%*
TOTAL OTHER SERVICES AND C	604,101	604,101	581,826.61	11,734.00	.00	22,274.39	96.3%
TOTAL VOL.EMPLOYEE BENEF.ASSOC.BO	0	0	-1,130,127.68	-31,198.93	.00	1,130,127.68	100.0%
TOTAL PUBLIC EMPLOYEE HEALTH CARE	0	0	-1,130,127.68	-31,198.93	.00	1,130,127.68	100.0%
TOTAL REVENUES	-604,861	-604,861	-1,711,958.63	-42,932.93	.00	1,107,097.63	
TOTAL EXPENSES	604,861	604,861	581,830.95	11,734.00	.00	23,030.05	
GRAND TOTAL	0	0	-1,130,127.68	-31,198.93	.00	1,130,127.68	100.0%

\*\* END OF REPORT - Generated by Rebecca Marsters \*\*

19

# Bay County, Michigan

12/02/2015 14:45  
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BAY COUNTY, MI  
YEAR-TO-DATE BUDGET REPORT

P  
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## REPORT OPTIONS

Sequence	Field #	Total	Page Break
1	1	Y	N
2	9	Y	N
3	10	Y	N
4	0	N	N

Report title: BUDGET REPORT  
YEAR-TO-DATE BUDGET REPORT

Print Full or Short description: F  
Print MTD Version: Y  
Print Revenues-Version headings: N  
Format type: 1  
Print revenue budgets as zero: N  
Include Fund Balance: N  
Include requisition amount: N  
MultiYear view: D

Year/Period: 2015/11  
Print revenue as credit: Y  
Print totals only: N  
Suppress zero bal accts: N  
Print full GL account: N  
Double space: N  
Roll projects to object: N  
Carry forward code: 1  
Print journal detail: N  
From Yr/Per: 2014/ 7  
To Yr/Per: 2014/ 7  
Include budget entries: Y  
Incl encumb/liq entries: Y  
Sort by JE # or PO #: J  
Detail format option: 1

Field Name Find Criteria  
Field Value

Org  
Object  
Project  
Rollup code  
Account type  
Account status  
73627401

VEBA

Invoices Approved: November

Invoice Date	Vendor	Amount	Description
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21

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
12/08/2015  
RESOLUTION**

BY: BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION BOARD

WHEREAS As a result of the competitive bid process, the Bay County Employees' Retirement System Board of Trustees approved Corporation Counsel to start the steps to renew Bogdahn's contract for investment consulting at the November 10, 2015 special meeting Motion 87.

WHEREAS The Investment Consulting Services agreement would also be renewed with the Bogdahn Group for VEBA. The contract will be for a duration of 5 years at a cost of \$170,000 a year (\$154,000 for BCERS and \$16,000 for VEBA) Therefore Be It;

RESOLVED That this Board authorize the Chair to enter into the agreement with The Bogdahn Group for Investment Consultant services, Be It Further

RESOLVED That the Chairman of the Board is authorized to execute the agreements and all related documents on behalf of the Bay County Voluntary Employees' Beneficiary Association Board following legal review/approval.

STEVE GRAY, CHAIR  
AND BOARD

**RESOLUTION - INVESTMENT CONSULTING AGREEMENT AUTHORIZATION**

MOVED BY TRUSTEE \_\_\_\_\_  
SUPPORTED BY TRUSTEE \_\_\_\_\_

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski				Steve Gray				Jon Morse			
Kim Coonan				Richard Gromaski				Matthew Pett			
Kristal Goetz				Thomas Herek				Thomas Starkweather			

Vote Totals:

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

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

NOTICE OF PUBLIC MEETINGS

THE BOARD OF TRUSTEES OF THE BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (V.E.B.A.), 515 CENTER AVENUE, 7TH FLOOR, BAY CITY, MICHIGAN 48708, PHONE NUMBER (989) 895-4030, HAS SCHEDULED REGULAR MEETINGS FOR 2016. ALL MEETINGS WILL BE HELD AT APPROXIMATELY 2:30 P.M., FOLLOWING THE BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM MEETING, IN THE **BOARD OF COMMISSIONERS CHAMBERS**, LOCATED IN THE BAY COUNTY BUILDING, 515 CENTER AVENUE, **4TH FLOOR**, BAY CITY, MI 48708.

JANUARY 12, 2016  
FEBRUARY 9, 2016  
MARCH 8, 2016  
APRIL 12, 2016  
MAY 10, 2016  
JUNE 14, 2016  
JULY 12, 2016  
AUGUST 9, 2016  
SEPTEMBER 13, 2016  
OCTOBER 11, 2016  
NOVEMBER 15, 2016\*(Third Tuesday Due to Elections)  
DECEMBER 13, 2016

\_\_\_\_\_  
Date

\_\_\_\_\_  
Crystal Hebert  
Finance Officer/Secretary  
Bay County Employees' Retirement System, Board  
of Trustees

The County of Bay will provide reasonable and necessary auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered the meeting, to individuals with disabilities at the meeting/hearing upon ten days notice to the County of Bay. Individuals with disabilities requiring auxiliary aids or services should contact the County of Bay by calling or writing: Timothy Quinn, ADA Coordinator, Office of Corporation Counsel, 515 Center Avenue, Suite 402, Bay City, MI 48708, (989) 895-4096 or (989) 895-4049. TDD

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
12/08/2015  
RESOLUTION**

BY: BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION BOARD

WHEREAS, **15.265 Public notice of regular meetings, change in schedule of regular meetings, rescheduled regular meetings, or special meetings; time for posting; statement of date, time, and place; applicability of subsection (4); recess or adjournment; emergency sessions; meeting in residential dwelling; notice.** [M.S.A. 4.1800(15) ] Sec. 5. (2) For regular meetings of a public body, there shall be posted within 10 days after the first meeting of the public body in each calendar or fiscal year a public notice stating the dates, times, and places of its regular meetings.

WHEREAS, To comply with the Public Meetings Act, the Bay County Voluntary Employees' Beneficiary Association Board of Trustees posts a notice of public meetings; Therefore, Be It

RESOLVED That this Board approve the Notice of Public Meetings for 2016.

STEVE GRAY, CHAIR  
AND BOARD

RESOLUTION NOTICE OF PUBLIC MEETINGS 2016

MOVED BY TRUSTEE \_\_\_\_\_

SUPPORTED BY TRUSTEE \_\_\_\_\_

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski				Steve Gray				Jon Morse			
Kim Coonan				Richard Gromaski				Matthew Pett			
Kristal Goetz				Thomas Herek				Thomas Starkweather			

Vote Totals:

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

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

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

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