

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION
 AGENDA
 TUESDAY, FEBRUARY 12, 2019
 (Immediately Following the Retirement Board of Trustees' Meeting @ Approximately 2:30 P.M.)
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

PAGE	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 4	1.	JANUARY 8, 2019
	IV.	PUBLIC INPUT
	A.	ANDCO CONSULTING 4Q REPORT – PETER BROWN
5 - 8	B.	MONTHLY REPORTS - RES NO. 2019-2 (APPROVE)
	1.	PORTFOLIO VALUE 1/01/19 - 1/31 /19
	2.	CHANGE IN NET ASSETS -1/31/19
9 - 28	3.	MONEY MANAGER REPORTS
	a.	CS MCKEE – ENDING 4Q-218
	b.	DODGE & COX – 4Q 2018; 12/31/18
	c.	LOOMIS – 4Q 2018
	d.	MFS – 4Q 2018; 12/31/18; PROXY REPORT 4Q 2018
29	4.	RECAPTURE SERVICES
	a.	CAPIS – 12/31/18
30 – 32	5.	COMERICA SUMMARY EARNINGS – ENDING 12/31/18
33 – 34	6.	VEBA YTD BUDGET REPORT 1-31-19
35	7.	INVOICES APPROVED – 1/31/19
36 – 38	C.	CORRESPONDENCE CS MCKEE, LOOMIS, COMERICA RE: REBALANCE ASSET ALLOCATION (MOTION TO RECEIVE)
39 - 40	D.	CORRESPONDENCE COMERICA RAISE CASH CAPITAL CALL PRISA (MOTION TO RECEIVE)
	E.	ANDCO CONSULTING - PETER BROWN
		MID CAP CORE EQUITY MANAGER ANALYSIS
		MIDCAP CORE EQUITY PERFORMANCE SUPPLEMENT
		SMALL CAP CORE EQUITY MANAGER ANALYSIS
		SMALL CAP EQUITY SEARCH PERFORMANCE SUPPLEMENT

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

AGENDA

TUESDAY, FEBRUARY 12, 2019

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

COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

V. ANNOUNCEMENTS

- A. NEXT REGULAR MEETING - TUESDAY, MARCH 12, 2019
IMMEDIATELY FOLLOWING THE RETIREMENT BOARD OF
TRUSTEES MEETING AT APPROXIMATELY 2:30 P.M. ,
COMMISSIONERS CHAMBERS, 515 CENTER AVENUE - 4TH
FLOOR, BAY CITY, MI 48708

VI. UNFINISHED BUSINESS

VII. NEW BUSINESS

VIII. MISCELLANEOUS BUSINESS

IX. ADJOURNMENT

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)
JANUARY 8, 2019 – REGULAR MEETING**

PAGE 1

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

The meeting of the Board of Trustees was held on January 8, 2019 at 1:44 p.m. in the Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. Roll was taken.

Trustees Present: Chairperson Gray, Mr. Brzezinski, Mr. Herek, Mr. Morse, Mr. Pett, Mr. Ryder, and Ms. Shutt.

Trustees Absent: Trustees Gonzales and Gromaski

Also Present:

Consultant: AndCo Consulting - Peter Brown.

Secretary: Jan Histed

Retirement Administrator: Katie Meeth

Corporation Counsel: Shawna Walraven

The meeting was called to order by Chairman, Steve Gray at 1:44 p.m.

The meeting was turned over to the Secretary, Jan Histed, to conduct the election of officers for the VEBA Board for 2019.

Ms. Histed asked for nominations for Chairperson for the VEBA Board for 2019. Trustee Brzezinski nominated Steve Gray. Trustee Herek supported the motion. There were no other nominations. Mr. Gray accepted the nomination.

MOTION 1: Moved, supported and carried to unanimously elect Steve Gray as the Chairperson for the VEBA Board for 2019.

Ms. Histed asked for nominations for the position of Vice Chairperson for the VEBA Board for 2019. Trustee Herek nominated Matt Pett. Trustee Shutt supported the motion. There were no other nominations. Mr. Pett accepted the nomination.

MOTION 2: Moved, supported and carried to unanimously elect Matt Pett as Vice Chairperson for the VEBA Board for 2019.

Ms. Histed asked for nominations for the position of Sergeant at Arms for the VEBA Board for 2019. Trustee Pett nominated Jon Morse. Trustee Shutt supported the motion. There were no other nominations. Mr. Morse accepted the nomination.

MOTION 3: Moved, supported and carried to unanimously elect Jon Morse as Sergeant at Arms for the VEBA Board for 2019.

The meeting was turned back to Chairman, Steve Gray.

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)
JANUARY 8, 2019 – REGULAR MEETING**

PAGE 2

MOTION 4: Moved, supported and carried to approve the minutes, as printed, from the December 11, 2019 meeting.

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

RES. 2019-1:

Moved, supported and carried to adopt resolution 2019-1 to receive the monthly reports Portfolio Value ending 12/31/18 (Today's value is \$49,587,000), Monthly Change in Net Assets ending 12/31/18, C.S. McKee performance report ending 11/30/18, Dodge & Cox – ending 11/30/18, Loomis – Ending 11/30/18, MFS – Ending 11/30/18; Capis Recapture services ending 11/30/18, VEBA YTD Budget Report ending 12/31/18, and Approved Invoices Report ending 12/31/18.

MOTION 5: Moved, supported and carried to receive correspondence to Dodge & Cox and Lord Abbett, and from PGIM regarding raising cash for PRISA capital call.

ANNOUNCEMENTS:

A. Next regularly scheduled meeting will be Tuesday, February 12, 2019 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in Commissioner's Chambers, 515 Center Avenue - 4th Floor, Bay City, MI 48708.

UNFINISHED BUSINESS: Mr. Brown from AndCo Consulting provided a handout to the Board with information regarding performance and recap of the markets. He reviewed the information with the Board. He believes the market overreacted and advised to stay the course.

He then reviewed the information regarding the new asset allocation for the VEBA. The new asset allocation will be comprised of: There will be a 32% position in U.S. equities in large cap split equally 16% to large cap growth and 16% to large cap value. There will be a 12% position to mid cap and a 5% position to small cap. The international position will increase from 9.5% to 21%. Fixed income will reduce from roughly 34% to 17.5% and Loomis will reduce from 10% to 5.75%. Real estate will remain as the new position of 7%.

Mr. Brown explained the two-part plan to achieve the new asset allocations. First is to raise money from the fixed income managers: \$6.5 million from C.S. McKee and \$1 million from Loomis and reinvest those proceeds with \$2 million in Dodge & Cox and \$5.5 million into American Euro Pacific.

Second will be a search for two new dedicated managers – one for mid cap and one for small cap to be funded from the Lord Abbett position. He explained that Lord Abbett's presentation last month showed they had strayed from their investment thesis. They are targeted as a SMID value manager and with a new management team in place they have changed that fund to be more of a core position. This is not what the VEBA hired them to be. The new investment policy has a dedicated mid cap and small cap position which will be funded by raising additional money from fixed income. Mr. Brown explained this has all technically been approved when the asset allocation and the new Investment Policy Statement were approved.

MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)
JANUARY 8, 2019 – REGULAR MEETING

PAGE 3

Chairman Gray asked Mr. Brown to explain in more detail about the search for small and mid-cap managers. Mr. Brown explained there will be a search for two separate managers for the two separate strategies. One will be a mid-cap core manager investment allocation and the second will be small-cap core investment allocation for the respective sizes of 12% and 5% of the Portfolio. Mid-cap core will be about a \$6 million position and small-cap core will be about a \$2.5 million position. Given those sizes, it will probably be some kind of fund like a mutual fund that we have with Lord Abbett which makes it easy for legal review and makes it easier for trading and makes it easier for liquidity purposes. Mr. Gray asked if Lord Abbett would be cut once the two new managers were decided on. Mr. Brown clarified that was correct.

Mr. Brown explained the search for the small cap and mid cap would be done at the same time. He will bring two searches to the Board but put it all in one book. One will be specifically mid cap comparing to the Russell Midcap index or Vanguard Midcap index but it will be active management and the same with small cap. Separate managers and active management. The Board will decide on interviews once they have received the search information from Mr. Brown.

NEW BUSINESS: None

MISCELLANEOUS BUSINESS: None

ADJOURNMENT:

MOTION 6: Moved, supported and carried to adjourn the meeting at 2:10 p.m.

Respectfully submitted,



Jan Histed
Secretary

Transcribed by: Tracy Cederquist

MEETING OF THE **VEBA BOARD OF TRUSTEES COMMITTEE**
JANUARY 8, 2019

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

MEETING CALLED TO ORDER BY: CHAIRPERSON STEVE GRAY AT 1:44 P.M.

MOTIONS

Trustee	1	2	3	4	5	6			
BRZEZINSKI	Y	Y	Y	Y	M-Y	Y			
GONZALES	ABSENT	ABSENT	ABSENT	ABSENT	ABSENT	ABSENT			
GRAY	Y	Y	Y	Y	Y	Y			
GROMASKI	ABSENT	ABSENT	ABSENT	ABSENT	ABSENT	ABSENT			
HEREK	Y	M-Y	S-Y	Y	Y	M-Y			
MORSE	M-Y	Y	Y	M-Y	Y	Y			
PETT	S-Y	Y	Y	Y	S-Y	Y			
RYDER	Y	Y	M-Y	Y	Y	S-Y			
SHUTT	Y	S-Y	Y	S-Y	Y	Y			

RESOLUTIONS

Trustee	2019-1								
BRZEZINSKI	Y								
GONZALES	ABSENT								
GRAY	Y								
GROMASKI	ABSENT								
HEREK	Y								
MORSE	S-Y								
PETT	M-Y								
RYDER	Y								
SHUTT	Y								

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION
02/12/2019
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 - 1/1/19 - 1/31/19
2. CHANGE IN NET ASSETS – 1/31/19
3. MONEY MANAGER REPORTS
 - a. C.S. MCKEE – ENDING 4Q 2018
 - b. DODGE & COX – ENDING 4Q 2018; 12/31/18
 - c. LOOMIS – 4Q 2018
 - d. MFS – 4Q 2018; 12/31/18; PROXY REPORT 4Q 2018
4. RECAPTURES SERVICES
 - a. CAPIS - SUMMARY ENDING 12/31/18
5. COMERICA SUMMARY EARNINGS – 12/31/18
6. VEBA YTD BUDGET REPORT – ENDING 1/31/19
7. INVOICES APPROVED - 1/31/19

STEVE GRAY, CHAIR
AND BOARD

MONTHLY REPORTS - FEBRUARY

MOVED BY TRUSTEE _____

SUPPORTED BY TRUSTEE _____

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
				Richard Gromaski				Matthew Pett			
Kristal Gonzales				Thomas Herek				Thomas Ryder			
Steve Gray				Jon Morse				Sandy Shutt			

Vote Totals:

Roll Call: Yeas _____ Nays _____ Excused _____

Voice: Yeas _____ Nays _____ Excused _____

Disposition: Adopted _____ Defeated _____ Withdrawn _____
Amended _____ Corrected _____ Referred _____

VEBA PORTFOLIO VALUE 2019

VEBA 2019	DODGE & COX	CASH	LORD ABBOTT	CS MCKEE	MFS	AMERICAN FUND	LOOMIS	PRISA	TOTAL
Jan-19	7,474,999.62	6,908,608.51	7,133,937.28	10,247,281.78	9,913,026.33	5,070,281.62	4,921,548.11	3,849,999.99	55,519,683.24
Feb-19									0.00
Mar-19									0.00
Apr-19									0.00
May-19									0.00
Jun-19									0.00
Jul-19									0.00
Aug-19									0.00
Sep-19									0.00
Oct-19									0.00
Nov-19									0.00
Dec-19									0.00

Money Manager Fees

2018	CS MCKEE	MFS	LOOMIS	TOTAL
1ST QTR				0.00
2ND QTR				0.00
3RD QTR				0.00
4TH QTR				0.00

MFS

INVESTMENT LARGE CAP EQUITY
CS MCKEE FIXED INCOME - BONDS
DODGE & COX LARGE CAP EQUITY
LORD ABBETT SMALL MID CAP MUTUAL FUND
AMERICAN FUND INTERNATIONAL EQUITY
LOOMIS SAYLES DOMESTIC FIXED EQUITY
PRISA US CORE REAL ESTATE

ACCOUNT STATEMENT

Statement Period
 Account Number

01/01/2019 through 01/31/2019
 M03380

037

Preliminary Summary Of Cash Transactions

R E C E I P T S

CASH BALANCE AS OF 01/01/2019		163,845.00-
INCOME RECEIVED		
DIVIDENDS	3,989.47	
INTEREST	82,495.78	
OTHER INCOME	6.40	
TOTAL INCOME RECEIPTS		86,491.65
CASH RECEIPTS		
EMPLOYER CONTRIBUTIONS	131,160.02	
TRANSFERS	478.44	
TOTAL CASH RECEIPTS		131,638.46
PROCEEDS FROM THE DISPOSITION OF ASSETS		17,110,982.38
TOTAL RECEIPTS		17,329,112.49

D I S B U R S E M E N T S

CASH DISBURSEMENTS		
FEES & EXPENSES	39,268.72-	
TRANSFERS	3,850,000.00-	
TOTAL CASH DISBURSEMENTS		3,889,268.72-
COST OF ACQUISITION OF ASSETS		13,158,732.91-
TOTAL DISBURSEMENTS		17,048,001.63-
CASH BALANCE AS OF 01/31/2019		117,265.86

THE ENDING CASH BALANCE CONSISTS OF:

CASH	30,086.79-
DUE FROM BROKER	293,353.40
DUE TO BROKER	146,000.75-
TOTAL CASH	117,265.86

ACCOUNT STATEMENT

Statement Period
 Account Number

01/01/2019 through 01/31/2019
 M03380

037

Preliminary Changes In Net Assets

	COST VALUE	MARKET VALUE
BEGINNING BALANCE AS OF 01/01/2019	54,404,897.55	56,920,882.56
EARNINGS		
CASH INCOME	86,491.65	86,491.65
LESS PRIOR ACCRUED INCOME	117,649.56-	117,649.56-
PLUS CURRENT ACCRUED INCOME	78,064.17	78,064.17
REALIZED GAIN/LOSS ON SALE OF ASSETS	5,138.05-	5,138.05-
NET UNREALIZED GAIN OR LOSS	0.00	2,402,151.00
TOTAL EARNINGS	41,768.21	2,443,919.21
CONTRIBUTIONS & OTHER INCREASES		
EMPLOYER CONTRIBUTIONS	131,160.02	131,160.02
TRANSFERS	478.44	478.44
TOTAL CONTRIBUTIONS & OTHER INCREASES	131,638.46	131,638.46
DISTRIBUTIONS & OTHER DECREASES		
ASSETS DISTRIBUTED	0.02-	0.02-
FEES & EXPENSES	39,268.72-	39,268.72-
TRANSFERS	3,850,000.00-	3,850,000.00-
TOTAL DISTRIBUTIONS & OTHER DECREASES	3,889,268.74-	3,889,268.74-
ENDING BALANCE AS OF 01/31/2019	50,689,035.48	55,607,171.49

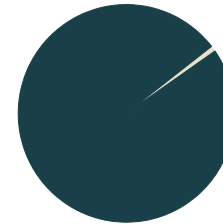
Account Statement - at 12/31/2018

90477

Portfolio Summary

	<i>QTD</i> 9/30/18 - 12/31/18	<i>YTD</i> 12/31/17 - 12/31/18
Beginning market value	\$16,459,208	\$16,607,225
Net additions and disbursements	0	16
Investment income	114,142	450,390
Portfolio appreciation / depreciation	116,741	-367,540
Ending market value	\$16,690,092	\$16,690,092

Allocation



- Fixed Income
- Cash

	<i>Actual</i>	<i>Target</i>	<i>Diff</i>
Fixed Income	99.2%	100.0%	(-0.8%)
Cash	0.8%	0.0%	+0.8%

Performance

(2/7/2012)*

	<i>QTD</i>	<i>YTD</i>	<i>3 yr</i>	<i>5 yr</i>
Fixed Income	1.41%	0.50%	2.35%	2.94%
BC Aggregate	1.64%	0.01%	2.06%	2.52%

Periods greater than 1 year are annualized

* Performance Start Date

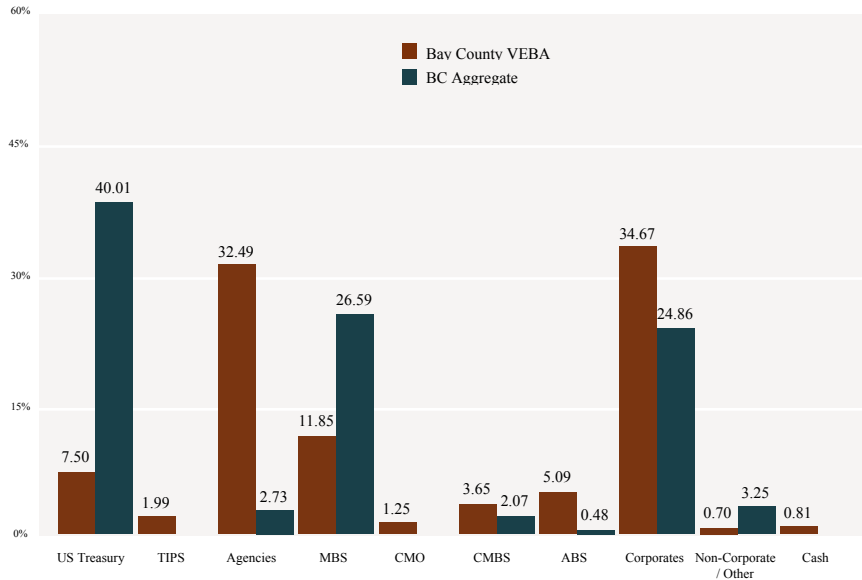
Bay County VEBA

Fixed Income Portfolio Characteristics - at 12/31/2018

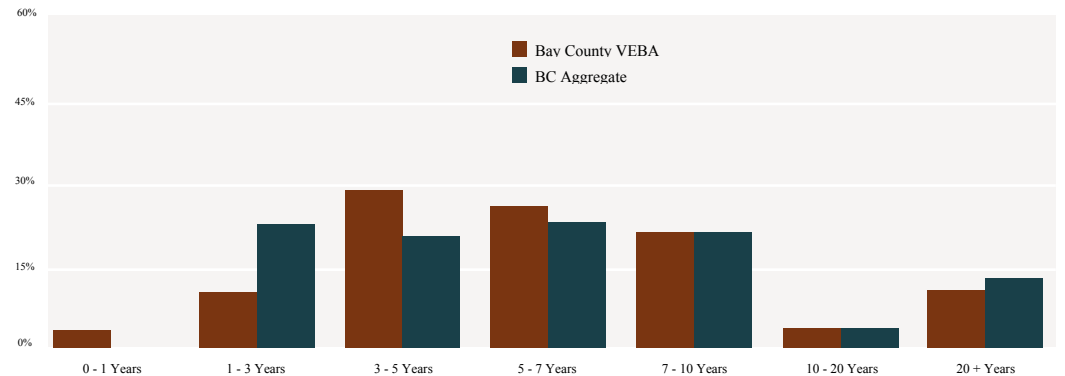
Benchmark Comparisons	Bay County VEBA	BC Aggregate	Variance
Effective Duration	5.95 yrs.	5.87 yrs.	0.08 yrs.
Average Convexity	-0.18	0.17	-0.35 yrs.
Average Maturity	7.80 yrs.	8.01 yrs.	-0.21
Yield to Maturity	3.57 %	3.27%	0.29 %
Average Coupon	3.42 %	3.19%	0.23 %
Average Quality	Aa2	Aa2	N/A

Top 10 Largest Holdings	Coupon	Maturity	Sector	% of Portfolio
FEDERAL HOME LN MTG	3.250	06/14/2023	US Agencies	2.22
UNITED STATES TREAS	0.750	07/15/2028	US Treasuries	2.00
UNITED STATES TREAS	2.500	01/31/2025	US Treasuries	1.75
UNITED STATES TREAS	2.750	11/15/2047	US Treasuries	1.67
JPMORGAN CHASE BK	3.550	12/24/2023	US Agencies	1.48
AMERICREDIT AUTO REC	1.900	03/18/2022	Asset Backed Sec	1.38
FEDERAL FARM CR BKS	3.700	03/13/2028	US Agencies	1.29
FNMA PASSTHRU AS7388	3.500	06/01/2046	Mortgage Backed	1.23
UNITED STATES TREAS	2.250	10/31/2024	US Treasuries	1.16
MORGAN STANLEY PVT B	3.550	11/24/2023	US Agencies	1.09

Sector Allocation



Term Structure

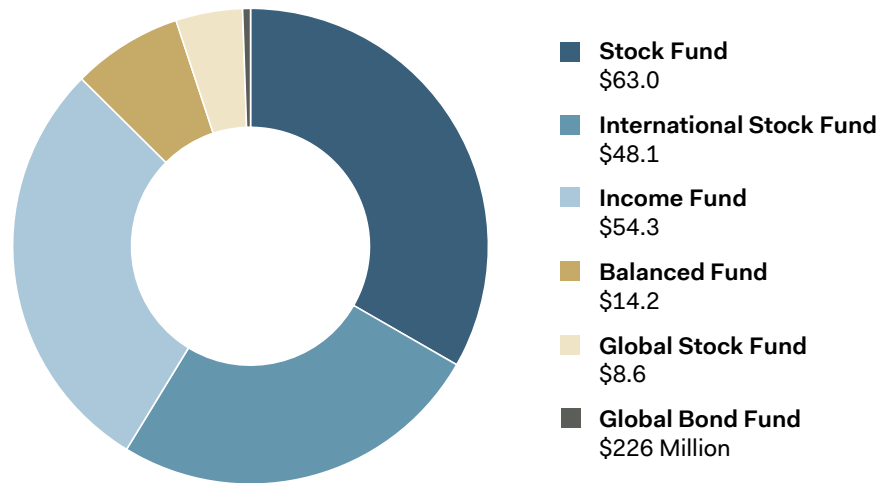


Dodge & Cox's Focused Investment Strategies (\$ in Billions)

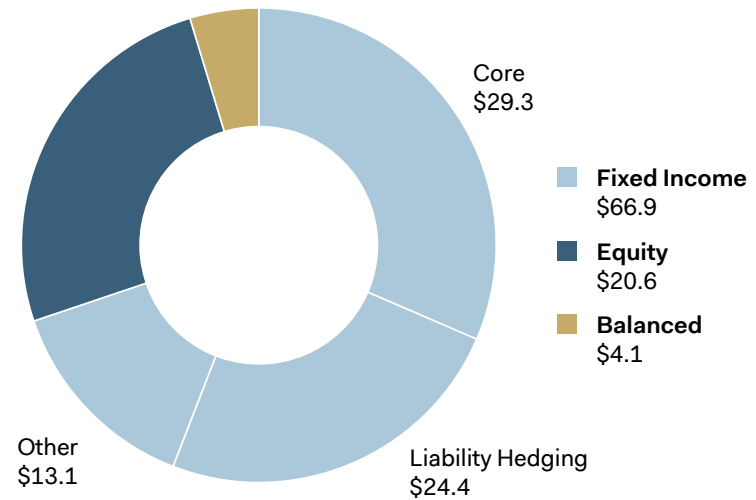
December 31, 2018

\$286.0 in Total Assets: \$158.6 in Equities / \$127.4 in Fixed Income

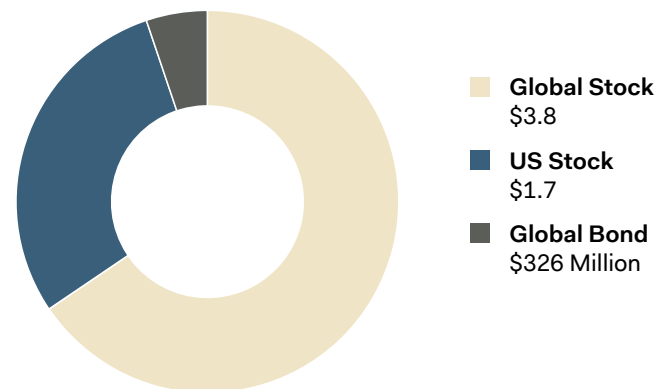
Dodge & Cox Funds: \$188.4 Billion



Separate Accounts: \$91.6 Billion



Non-U.S. Funds (Irish UCITS): \$5.9 Billion



Before investing in any Dodge & Cox Fund, you should carefully consider the Fund's investment objectives, risks, and charges and expenses. To obtain a Fund's prospectus and summary prospectus, which contain this and other important information, visit dodgeandcox.com or call 800-621-3979. Please read the prospectus and summary prospectus carefully before investing.

DODGE & COX FUNDS

Total Rates of Return

For Periods Ending December 31, 2018

	1 Mo. Ended	3 Mos. Ended	Year-to- Date	Annualized				
				1 Year	3 Years	5 Years	10 Years	20 Years
Dodge & Cox Stock Fund	-10.68%	-13.58%	-7.08%	-7.08%	10.07%	7.05%	13.17%	8.87%
Dodge & Cox Global Stock Fund	-8.70%	-12.71%	-12.65%	-12.65%	7.52%	4.10%	11.45%	N.A.
Dodge & Cox International Stock Fund	-6.73%	-12.38%	-17.98%	-17.98%	3.25%	-4.8%	7.72%	N.A.
Dodge & Cox Balanced Fund	-6.78%	-8.46%	-4.61%	-4.61%	7.77%	5.77%	11.04%	7.86%
Dodge & Cox Income Fund	1.05%	.29%	-.31%	-.31%	3.19%	2.87%	5.01%	5.08%
Dodge & Cox Global Bond Fund†	.89%	-.71%	-1.45%	-1.45%	5.06%	2.03%	N.A.	N.A.
<u>Comparative Indices</u>								
S&P 500 Index	-9.03%	-13.52%	-4.38%	-4.38%	9.26%	8.49%	13.12%	5.62%
MSCI World Index	-7.60%	-13.42%	-8.71%	-8.71%	6.30%	4.56%	9.67%	N.A.
MSCI EAFE Index	-4.85%	-12.54%	-13.79%	-13.79%	2.87%	.53%	6.32%	N.A.
Combined Index	-4.68%	-7.56%	-2.35%	-2.35%	6.51%	6.25%	9.43%	5.49%
Bloomberg Barclays U.S. Aggregate Bond Index	1.84%	1.64%	.01%	.01%	2.06%	2.52%	3.48%	4.55%
Bloomberg Barclays Global Aggregate Bond Index	2.02%	1.20%	-1.20%	-1.20%	2.70%	1.08%	N.A.	N.A.

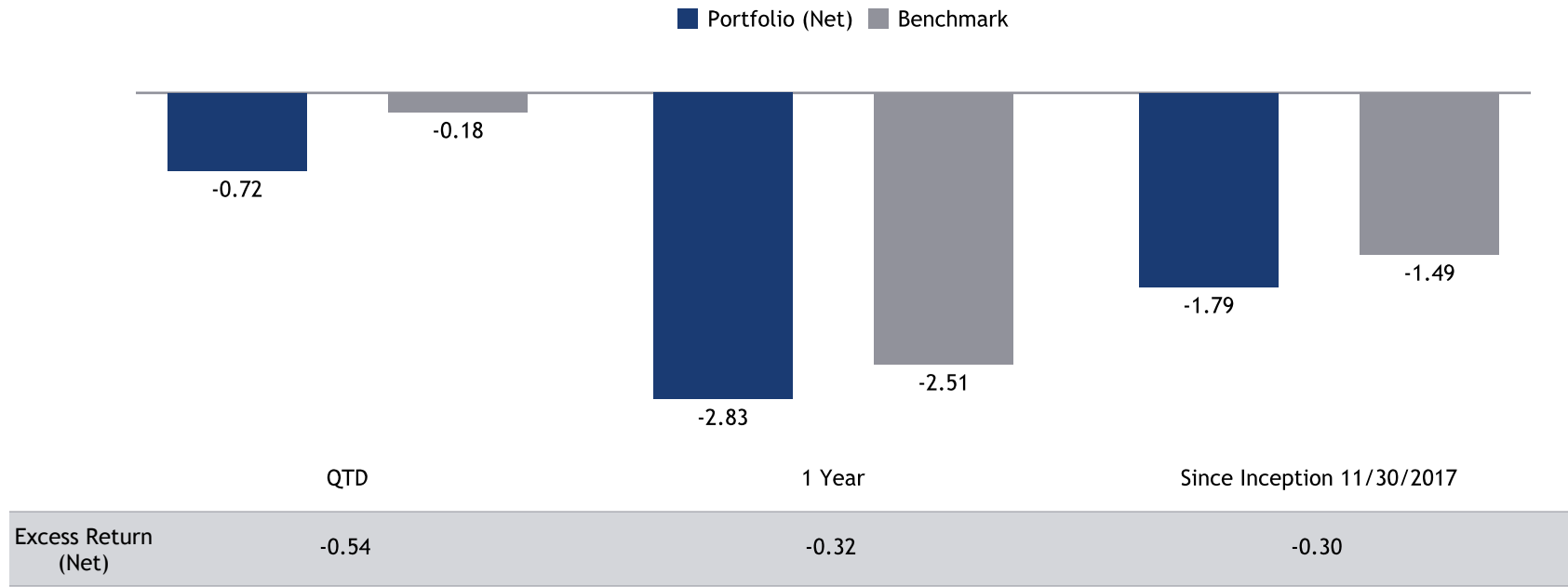
† A private fund managed by Dodge & Cox with proprietary assets was reorganized into the Dodge & Cox Global Bond Fund on April 30, 2014. Any Fund portfolio characteristics, performance, or attribution information for periods prior to May 1, 2014, are those of the private fund.

The Fund's total returns include the reinvestment of dividend and capital gain distributions, but have not been adjusted for any income taxes payable by shareholders on these distributions or on Fund share redemptions. Index returns include dividends and/or interest income but, unlike Fund returns, do not reflect fees or expenses. The S&P 500 Index is a market capitalization-weighted index of 500 large-capitalization stocks commonly used to represent the U.S. Equity market. The MSCI World Index is a broad-based unmanaged equity market index aggregated from 23 developed market country indices, including the United States. The MSCI EAFE (Europe, Australasia, Far East) Index is a broad-based, unmanaged equity market index aggregated from 22 developed market country indices, excluding the United States. The Combined Index reflects an unmanaged portfolio (rebalanced monthly) of 60% of the S&P 500, and 40% of the Bloomberg Barclays U.S. Agg. The Fund may, however, invest up to 75% of its total assets in stocks. The Bloomberg Barclays U.S. Aggregate Bond Index is a widely recognized, unmanaged index of U.S. dollar-denominated investment-grade fixed income securities. The Bloomberg Barclays Global Aggregate Bond Index is a widely recognized, unmanaged index of multi-currency, investment-grade fixed income securities. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI.

Returns represent past performance and do not guarantee future results. Investment return and share price will fluctuate with market conditions, and investors may have a gain or loss when shares are sold. Fund performance changes over time and currently may be significantly lower than stated above. Performance is updated and published monthly. Before investing in any Dodge & Cox Fund, you should carefully consider the Fund's investment objectives, risks, and management fees and other expenses. To obtain a Fund's prospectus and summary prospectus, which contain this and other important information, visit www.dodgeandcox.com or call 800-621-3979. Please read the prospectus and summary prospectus carefully before investing.

performance

TRAILING RETURNS AS OF 12/31/2018 (%)



PORTFOLIO VALUATION (USD)

	Portfolio 9/30/2018	Portfolio 12/31/2018	Increase/Decrease
Total	4,952,929	4,921,548	-31,381

Data Source: Barclays Capital

Benchmarks: BBG B.ARC U.S. Corporate Investment Grade (11/30/2017 - 12/31/2018).

The current benchmark is Bloomberg Barclays Corporate Index. Returns over one year are annualized. Information is reported on a trade date basis.



LOOMIS SAYLES

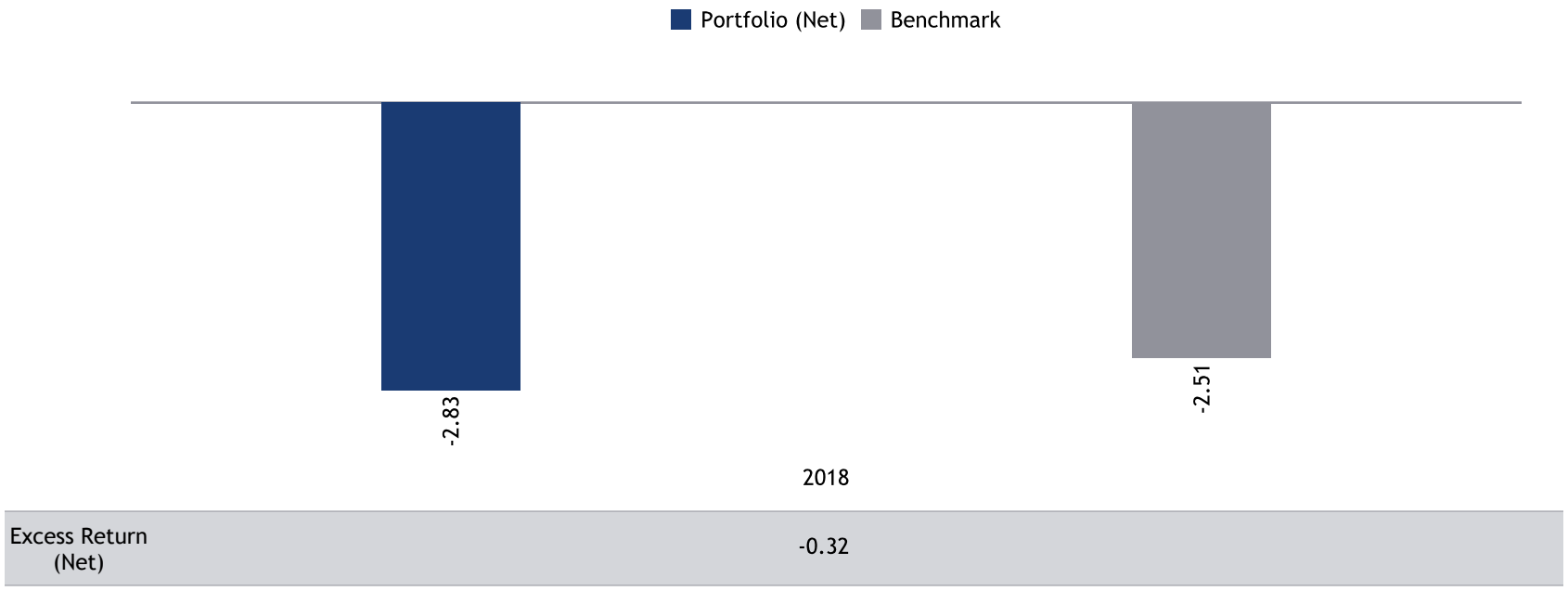
Sources: Loomis, Sayles & Company, L.P. and others

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December 31, 2018

performance

CALENDAR YEAR RETURNS AS OF 12/31/2018 (%)



*Data Source: Barclays Capital
 Benchmarks: BBG B.ARC U.S. Corporate Investment Grade (11/30/2017 - 12/31/2018).
 The current benchmark is Bloomberg Barclays Corporate Index. Returns over one year are annualized. Information is reported on a trade date basis.*

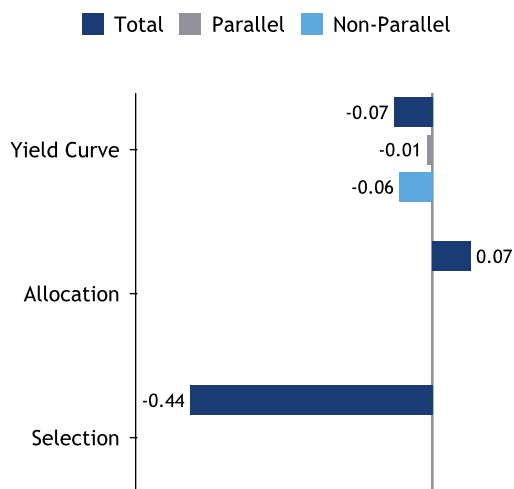
performance attribution by sector

9/30/2018 TO 12/31/2018 (%)

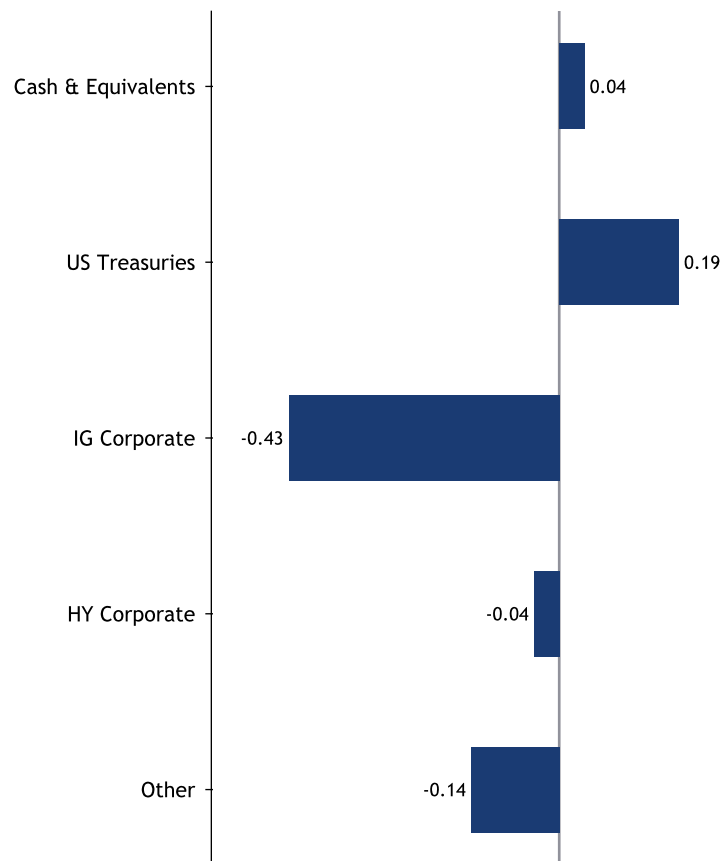
TOTAL RETURNS

	Total Return
Portfolio Return	-0.61
Benchmark Return	-0.18
Excess Return	-0.43

EXCESS RETURN ATTRIBUTION



EXCESS RETURN ATTRIBUTION BY SECTOR



Data Source: Barclays Capital

Figures on the bar chart may not add up to total excess return as they exclude impact of trading and pricing differences. Excess Return by sector excludes yield curve impact. Values shown include impact of hedging if utilized. Unless otherwise noted, the performance shown is gross of management fees.

The current benchmark is Bloomberg Barclays Corporate Index. Information on this page reflects fund data.



LOOMIS SAYLES

Sources: Loomis, Sayles & Company, L.P. and others

For Institutional Investor Use Only. Not for Further Distribution

December 31, 2018

portfolio summary

9/30/2018 TO 12/31/2018

PORTFOLIO SUMMARY

	9/30/2018			12/31/2018		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference
Yield to Worst (%)	4.37	4.05	0.32	4.52	4.19	0.33
Maturity (years)	11.36	10.75	0.61	11.28	10.67	0.61
Effective Duration (years)	7.30	7.22	0.08	7.17	7.12	0.06
Coupon (%)	3.93	3.97	-0.04	4.00	4.00	0.00
Average Quality	A3	A3	-	A3	A3	-
OAS (bps)	118	103	15	173	150	23

QUALITY SUMMARY (% OF TOTAL MARKET VALUE)

	9/30/2018			12/31/2018		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference
AAA	8.81	2.22	6.58	6.77	2.24	4.54
AA	10.07	16.49	-6.42	10.73	16.69	-5.96
A	39.12	45.60	-6.47	41.35	44.88	-3.53
BAA	41.52	35.69	5.83	40.69	36.11	4.58
BA	0.48	0.00	0.48	0.45	0.08	0.37

Data Source: Barclays Capital

OAS is option adjusted spread.

Client Guideline Quality Methodology presented. Both duration and maturity for equity securities are deemed to be zero.

The current benchmark is Bloomberg Barclays Corporate Index. Information on this page reflects fund data.



LOOMIS SAYLES®

Sources: Loomis, Sayles & Company, L.P. and others

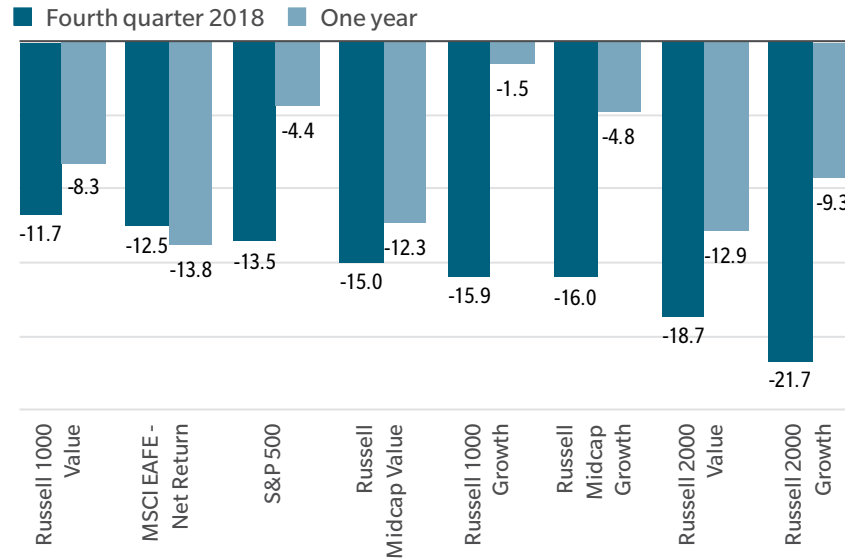
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December 31, 2018

Market Overview

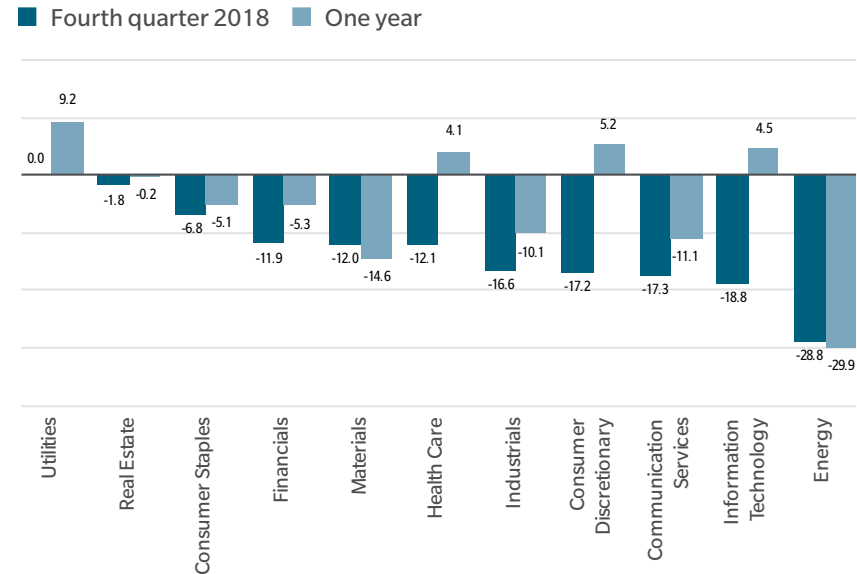


Style performance (%) (USD) as of 31-Dec-18



Source for benchmark performance SPAR, FactSet Research Systems Inc. All indices represent total return unless otherwise noted.

Sector performance (%) (USD) as of 31-Dec-18



Source: FactSet. Sector performance based on MSCI sector classification. The analysis of Russell 1000® Growth Index constituents are broken out by MSCI defined sectors.

Market review as of 31-Dec-2018

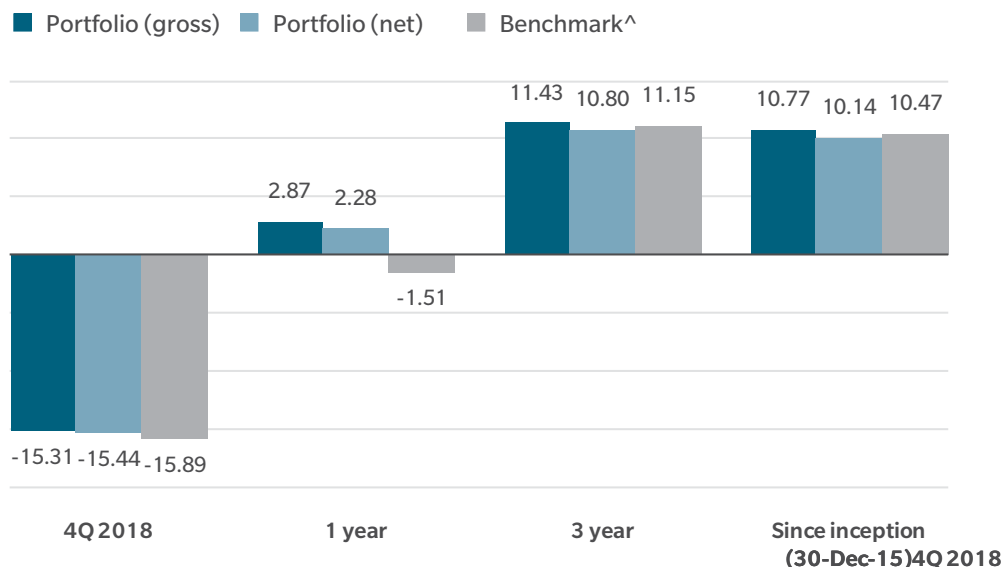
- The US market, as measured by the S&P 500 Index, was significantly lower during Q4. The deepest losses came in December, despite a move higher at the end of the year. The market was weighed down by, rising interest rates driven by the Federal Reserve, the potential for a larger trade war with China and a partial shutdown of the US government.
- While the US is still posting solid economic growth — GDP of 3.4% during Q3, investors are starting to anticipate slowing growth in 2019 and beyond. As expected, the Federal Reserve raised interest rates in December, for the fourth time in 2018, and signaled two more rate increases in 2019. The markets have been more volatile recently, with the

- belief that additional rate increases by the Fed may cause the yield curve to invert, which has historically made for a more difficult economic and market environment.
- In all three market caps (large, mid and small), value investing outperformed growth investing during the very challenging quarter. During Q4, the best performing sectors included utilities, real estate and consumer staples, typically higher yielding and more defensive sectors. In contrast, the worst performing sectors for the period included energy, technology and industrials. In addition, large-cap stocks outperformed both small- and mid-cap stocks during the quarter.

Executive Summary



Performance results (%) gross and net of fees (USD) as of 31-Dec-18



Source for benchmark performance SPAR, FactSet Research Systems Inc. All periods greater than one year are annualized.

Past performance is no guarantee of future results.

^ Russell 1000® Growth Index

Asset summary (USD)

Beginning value as of 30-Sep-18	10,781,984
Contributions	0
Withdrawals	0
Change in market value	-1,650,334
Ending value as of 31-Dec-18	9,131,650

Sector weights (%) as of 31-Dec-18

	Portfolio	Benchmark^^
Top overweights		
Communication Services	17.2	12.1
Information Technology	33.8	31.5
Health Care	15.7	14.2
Top underweights		
Industrials	6.8	11.8
Consumer Discretionary	12.5	15.1
Real Estate	-	2.3

^^ Russell 1000® Growth Index

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS.

The Growth Equity portfolio outperformed the Russell 1000® Growth Index in the fourth quarter of 2018.

Contributors

- Information Technology – Stock selection
- Individual stocks:
 - Danaher Corp
 - Thermo Fisher Scientific Inc
 - Abbott Laboratories
 - Intercontinental Exchange Inc
 - Medtronic Inc

Detractors

- Communication Services – Stock selection
- Consumer Staples – Stock selection and an underweight position
- Individual stocks:
 - UnitedHealth Group Inc (not held)
 - Abbvie Inc (not held)

Performance Results



Performance results (%) gross and net of fees (USD) as of 31-Dec-18

Period	Portfolio gross (%)	Portfolio net (%)	Benchmark^ (%)	Excess return net vs benchmark (%)
4Q 2018	-15.31	-15.44	-15.89	0.45
3Q 2018	8.49	8.33	9.17	-0.84
2Q 2018	6.63	6.48	5.76	0.72
1Q 2018	5.00	4.86	1.42	3.44
2018	2.87	2.28	-1.51	3.80
2017	31.11	30.36	30.21	0.15
2016	2.59	2.01	7.08	-5.07
1 year	2.87	2.28	-1.51	3.80
3 year	11.43	10.80	11.15	-0.35
Since client inception (30-Dec-15)	10.77	10.14	10.47	-0.33

Source for benchmark performance SPAR, FactSet Research Systems Inc. All periods greater than one year are annualized.

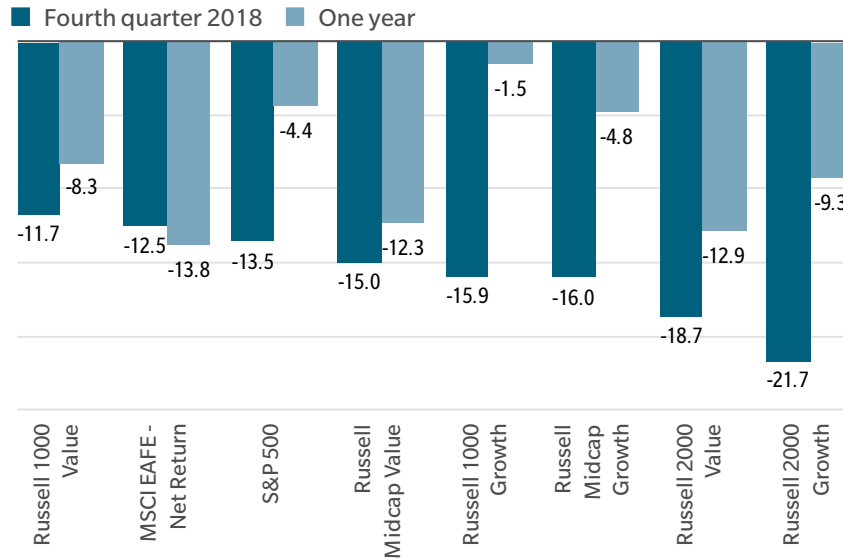
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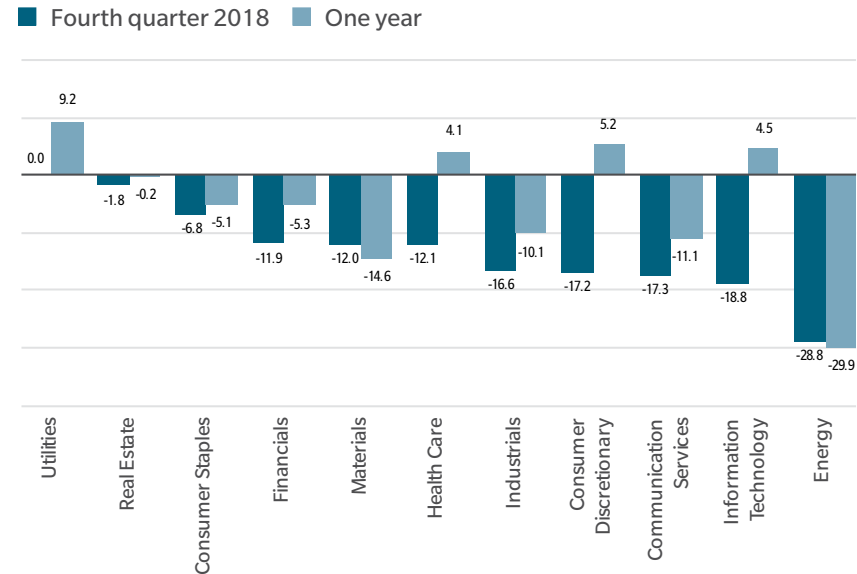


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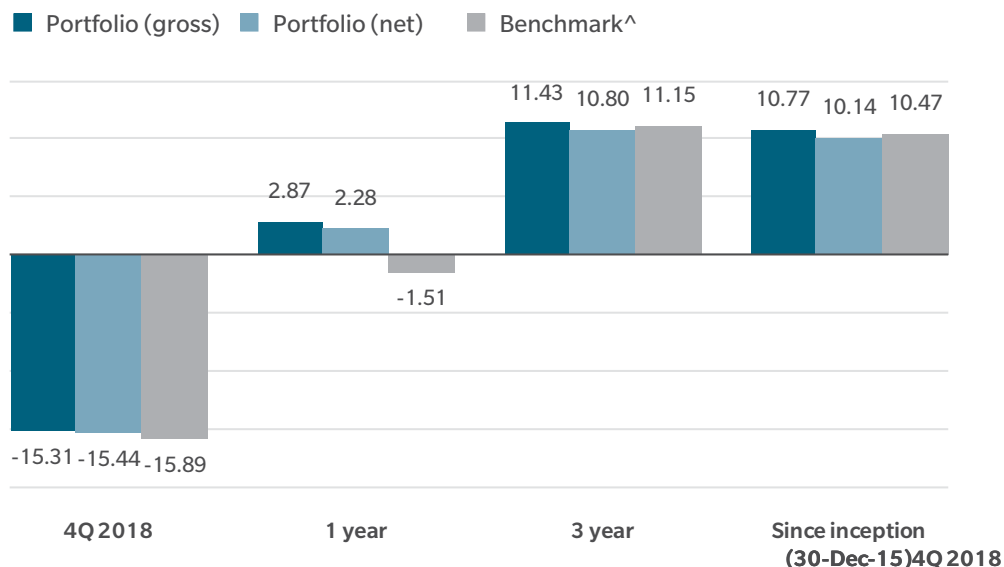
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Executive Summary



Performance results (%) gross and net of fees (USD) as of 31-Dec-18



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Bay County Voluntary Employees' Beneficiary Association Trust
Growth Equity
Report as of 31 December 2018

Performance results (%) gross and net of fees (USD)
--

Period	Portfolio gross	Portfolio net	Benchmark[^]	Excess^{^^}
December	-7.83	-7.87	-8.60	0.73
November	1.47	1.42	1.06	0.36
October	-9.45	-9.49	-8.94	-0.55
4Q 2018	-15.31	-15.44	-15.89	0.45
3Q 2018	8.49	8.33	9.17	-0.84
2Q 2018	6.63	6.48	5.76	0.72
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[^] Russell 1000® Growth Index

^{^^} Excess return net vs benchmark (%)

The Growth Equity portfolio outperformed Russell 1000® Growth Index in the fourth quarter of 2018.
--

Contributors
Information Technology – Stock selection
Cash

Individual stocks - Contributors
Danaher Corp

Thermo Fisher Scientific Inc
Abbott Laboratories
Intercontinental Exchange Inc
Medtronic Inc

Detractors
Communication Services – Stock selection
Consumer Staples – Stock selection and an underweight position

Individual stocks - Detractors
UnitedHealth Group Inc (not held)
Abbvie Inc (not held)

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MFS Institutional Advisors, Inc.

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Vote Summary Report

Date range covered: 10/01/2018 to 12/31/2018

Location(s): Massachusetts Financial Services

Institution Account(s): Bay County Voluntary Employees Beneficiary Association Trust

Alibaba Group Holding Ltd.

Meeting Date: 10/31/2018	Country: Cayman Islands	Primary Security ID: 01609W102	Meeting ID: 1266795
Record Date: 08/24/2018	Meeting Type: Annual	Ticker: BABA	
Primary CUSIP: 01609W102	Primary ISIN: US01609W1027	Primary SEDOL: BP41ZD1	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
	Meeting for ADR Holders	Mgmt		
1.1	Elect Joseph C. Tsai as Director	Mgmt	For	For
1.2	Elect J. Michael Evans as Director	Mgmt	For	For
1.3	Elect Eric Xiandong Jing as Director	Mgmt	For	For
1.4	Elect Borje E. Ekholm as Director	Mgmt	For	For
2	Ratify PricewaterhouseCoopers as Auditors	Mgmt	For	For

The Estee Lauder Companies, Inc.

Meeting Date: 11/13/2018	Country: USA	Primary Security ID: 518439104	Meeting ID: 1270339
Record Date: 09/14/2018	Meeting Type: Annual	Ticker: EL	
Primary CUSIP: 518439104	Primary ISIN: US5184391044	Primary SEDOL: 2320524	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.1	Elect Director Rose Marie Bravo	Mgmt	For	For
1.2	Elect Director Paul J. Fribourg	Mgmt	For	For
1.3	Elect Director Irvine O. Hockaday, Jr.	Mgmt	For	For
1.4	Elect Director Jennifer Hyman	Mgmt	For	For
1.5	Elect Director Barry S. Sternlicht	Mgmt	For	Withhold
2	Ratify KPMG LLP as Auditors	Mgmt	For	For
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	Against

Vote Summary Report

Date range covered: 10/01/2018 to 12/31/2018

Location(s): Massachusetts Financial Services

Institution Account(s): Bay County Voluntary Employees Beneficiary Association Trust

BlackRock Liquidity Funds

Meeting Date: 11/21/2018	Country: USA	Primary Security ID:	Meeting ID: 1276187
Record Date: 09/24/2018	Meeting Type: Special	Ticker: N/A	
Primary CUSIP: N/A	Primary ISIN: N/A	Primary SEDOL: N/A	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1a.1	Elect Director Bruce R. Bond	Mgmt	For	For
1a.2	Elect Director Susan J. Carter	Mgmt	For	For
1a.3	Elect Director Collette Chilton	Mgmt	For	For
1a.4	Elect Director Neil A. Cotty	Mgmt	For	For
1a.5	Elect Director Robert Fairbairn	Mgmt	For	For
1a.6	Elect Director Lena G. Goldberg	Mgmt	For	For
1a.7	Elect Director Robert M. Hernandez	Mgmt	For	For
1a.8	Elect Director Henry R. Keizer	Mgmt	For	For
1a.9	Elect Director Cynthia A. Montgomery	Mgmt	For	For
1a.10	Elect Director Donald C. Opatrny	Mgmt	For	For
1a.11	Elect Director John M. Perlowski	Mgmt	For	For
1a.12	Elect Director Joseph P. Platt	Mgmt	For	For
1a.13	Elect Director Mark Stalneckner	Mgmt	For	For
1a.14	Elect Director Kenneth L. Urish	Mgmt	For	For
1a.15	Elect Director Claire A. Walton	Mgmt	For	For

Microsoft Corp.

Meeting Date: 11/28/2018	Country: USA	Primary Security ID: 594918104	Meeting ID: 1274150
Record Date: 09/26/2018	Meeting Type: Annual	Ticker: MSFT	
Primary CUSIP: 594918104	Primary ISIN: US5949181045	Primary SEDOL: 2588173	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.1	Elect Director William H. Gates, III	Mgmt	For	For
1.2	Elect Director Reid G. Hoffman	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2018 to 12/31/2018

Location(s): Massachusetts Financial Services

Institution Account(s): Bay County Voluntary Employees Beneficiary Association Trust

Microsoft Corp.

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1.3	Elect Director Hugh F. Johnston	Mgmt	For	For
1.4	Elect Director Teri L. List-Stoll	Mgmt	For	For
1.5	Elect Director Satya Nadella	Mgmt	For	For
1.6	Elect Director Charles H. Noski	Mgmt	For	For
1.7	Elect Director Helmut Panke	Mgmt	For	For
1.8	Elect Director Sandra E. Peterson	Mgmt	For	For
1.9	Elect Director Penny S. Pritzker	Mgmt	For	For
1.10	Elect Director Charles W. Scharf	Mgmt	For	For
1.11	Elect Director Arne M. Sorenson	Mgmt	For	For
1.12	Elect Director John W. Stanton	Mgmt	For	For
1.13	Elect Director John W. Thompson	Mgmt	For	For
1.14	Elect Director Padmasree Warrior	Mgmt	For	For
2	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For
3	Ratify Deloitte & Touche LLP as Auditors	Mgmt	For	For

Medtronic Plc

Meeting Date: 12/07/2018	Country: Ireland	Primary Security ID: G5960L103	Meeting ID: 1262560
Record Date: 10/09/2018	Meeting Type: Annual	Ticker: MDT	
Primary CUSIP: G5960L103	Primary ISIN: IE00BTN1Y115	Primary SEDOL: BTN1Y11	

Voting Policy: MFS

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1	Elect Director Richard H. Anderson	Mgmt	For	For
1b	Elect Director Craig Arnold	Mgmt	For	For
1c	Elect Director Scott C. Donnelly	Mgmt	For	For
1d	Elect Director Randall J. Hogan, III	Mgmt	For	For
1e	Elect Director Omar Ishrak	Mgmt	For	For
1f	Elect Director Michael O. Leavitt	Mgmt	For	For
1g	Elect Director James T. Lenehan	Mgmt	For	For

Vote Summary Report

Date range covered: 10/01/2018 to 12/31/2018

Location(s): Massachusetts Financial Services

Institution Account(s): Bay County Voluntary Employees Beneficiary Association Trust

Medtronic Plc

Proposal Number	Proposal Text	Proponent	Mgmt Rec	Vote Instruction
1h	Elect Director Elizabeth G. Nabel	Mgmt	For	For
1i	Elect Director Denise M. O'Leary	Mgmt	For	For
1j	Elect Director Kendall J. Powell	Mgmt	For	For
2	Approve PricewaterhouseCoopers LLP as Auditors and Authorize Board to Fix Their Remuneration	Mgmt	For	For
3	Advisory Vote to Ratify Named Executive Officers' Compensation	Mgmt	For	For

Bay County Employees' VEBA

CAPIS Account: 10250

Settlement Month Ending: 12/31/2018

TOTAL COMMISSION

COMMISSION ALLOCATION

	<u>TOTAL COMMISSION</u>		<u>COMMISSION ALLOCATION</u>			
	<u>December</u>	<u>YTD</u>	<u>Execution</u>		<u>Recapture</u>	
			<u>December</u>	<u>YTD</u>	<u>December</u>	<u>YTD</u>
Beginning Balance					\$0.00	\$0.00
U.S. Equity	-	-	-	-	-	-
International Equity	-	-	-	-	-	-
Fixed Income	-	-	-	-	-	-
International Fixed Income	-	-	-	-	-	-
New Issues	-	-	-	-	-	-
Options	-	-	-	-	-	-
Futures	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-
Syndicates	-	-	-	-	-	-
Recapture Subtotals	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Execution	\$ 0.00	\$ 0.00				
Directed	\$ 0.00	\$ 0.00				
Correspondent Broker/Dealer	\$ 0.00	\$ 0.00				
Total	\$ 0.00	\$ 0.00				
					Total Earned	\$ 0.00
					Total Redeemed	\$ 0.00
					Balance as of 12/31/2018	\$ 0.00

**BAY COUNTY VEBA TRUST
SECURITIES LOAN STATEMENT
December 2018
Account Officer : DANIEL BERD**

TOTAL EARNINGS	\$185.97
LESS TOTAL REBATE	\$177.42
TOTAL GROSS	\$8.55
LESS BANK FEE	\$2.15
TOTAL NET EARNINGS	\$6.40



CLIENT EARNINGS REPORT

For the Period
12/1/2018 To 12/31/2018

BAY COUNTY VEBA TRUST

Sec ID	Description	Quantity	Contract Price	Contract Value	Date	Reb/Prem Rate	Mny Mkt Rate	Reb/Prem Due	Earnings Due
Account: 1055082344									
78013XW20	ROYAL BANK OF CANADA								
11/08/2018	3.700, 10/05/2023								
		89,000	103.00	91,670.00	12/01/2018	2.1900	2.35042	5.58	5.99
		89,000	103.00	91,670.00	12/02/2018	2.1900	2.35041	5.58	5.99
		89,000	103.00	91,670.00	12/03/2018	2.1900	2.10510	5.58	5.36
		89,000	103.00	91,670.00	12/04/2018	2.1900	2.31779	5.58	5.90
		89,000	103.00	91,670.00	12/05/2018	2.1900	2.27125	5.58	5.78
		89,000	103.00	91,670.00	12/06/2018	2.1900	2.37760	5.58	6.05
		89,000	103.00	91,670.00	12/07/2018	2.1900	2.33715	5.58	5.95
		89,000	103.00	91,670.00	12/08/2018	2.1900	2.33715	5.58	5.95
		89,000	103.00	91,670.00	12/09/2018	2.1900	2.33715	5.58	5.95
		89,000	103.00	91,670.00	12/10/2018	2.1900	2.32691	5.58	5.93
		89,000	103.00	91,670.00	12/11/2018	2.1900	2.30863	5.58	5.88
		89,000	103.00	91,670.00	12/12/2018	2.1900	2.31077	5.58	5.88
		89,000	103.00	91,670.00	12/13/2018	2.1900	2.32183	5.58	5.91
		89,000	103.00	91,670.00	12/14/2018	2.1900	2.31324	5.58	5.89
		89,000	103.00	91,670.00	12/15/2018	2.1900	2.31408	5.58	5.89
		89,000	103.00	91,670.00	12/16/2018	2.1900	2.31409	5.58	5.89
		89,000	103.00	91,670.00	12/17/2018	2.1900	2.34272	5.58	5.97
		89,000	103.00	91,670.00	12/18/2018	2.1900	2.34480	5.58	5.97
		89,000	103.00	91,670.00	12/19/2018	2.1900	2.34508	5.58	5.97
		89,000	103.00	91,670.00	12/20/2018	2.1900	2.40086	5.58	6.11
		89,000	103.00	91,670.00	12/21/2018	2.3500	2.40553	5.98	6.13
		89,000	103.00	91,670.00	12/22/2018	2.3500	2.40553	5.98	6.13
		89,000	103.00	91,670.00	12/23/2018	2.3500	2.40553	5.98	6.13
		89,000	103.00	91,670.00	12/24/2018	2.3500	2.40922	5.98	6.13
		89,000	103.00	91,670.00	12/25/2018	2.3500	2.40921	5.98	6.13
		89,000	103.00	91,670.00	12/26/2018	2.3500	2.42044	5.98	6.16
		89,000	103.00	91,670.00	12/27/2018	2.3500	2.42667	5.98	6.18
		89,000	103.00	91,670.00	12/28/2018	2.3500	2.40699	5.98	6.13
		89,000	103.00	91,670.00	12/29/2018	2.3500	2.40698	5.98	6.13
		89,000	103.00	91,670.00	12/30/2018	2.3500	2.40699	5.98	6.13
		89,000	104.00	92,560.00	12/31/2018	2.3400	2.48165	6.02	6.38

Total Earnings	185.97
Less Total Rebate	177.42
Less Bank Fee at 25.000	2.15
Net Earnings	6.40

Sett Code Coll Code Broker DTC ID Loan ID Closed Date
DTC USD J.P Morgan Securities LLC 187 104586

Account : 1055082344

Total Earnings	185.97
Less Total Rebate	177.42
Total Gross	8.55
Less Bank Fee at 25	2.15
Net Earnings	6.40

Detailed Earnings Summary

Total Earnings :	\$185.97
Total Rebate Expense :	\$177.42
Total Gross :	\$8.55
Total Bank Fees :	\$2.15
Total Net Earnings :	\$6.40

2019 VEBA YTD BUDGET REPORT

ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
FUND BALANCE	-	-	-	-	-	-	0%
NET ASSETS - RESERVES	3,204,320.00	-	3,204,320.00	-	-	3,204,320.00	0%
Total RA FUND BALANCE, NET AS	3,204,320.00	-	3,204,320.00	-	-	3,204,320.00	0%
ER CONTR-BEHAVE.HEALTH	-	-	-	-	-	-	0%
ER CONTR-MOSQUITO CONT	(12,245.00)	-	(12,245.00)	(1,156.02)	-	(11,088.98)	9%
ER CONTR-HEALTH FUND	(68,228.00)	-	(68,228.00)	(5,081.40)	-	(63,146.60)	7%
ER CONTR-ROAD COMMISS.	(360,000.00)	-	(360,000.00)	-	-	(360,000.00)	0%
ER CONTR-LIBRARY	(72,000.00)	-	(72,000.00)	-	-	(72,000.00)	0%
ER CONTR-GOLF COURSE	(5,069.00)	-	(5,069.00)	-	-	(5,069.00)	0%
ER CONTR-GENERAL FUND	(411,404.00)	-	(411,404.00)	(39,923.15)	-	(371,480.85)	10%
ER CONTR-DWS	(90,000.00)	-	(90,000.00)	(15,590.98)	-	(74,409.02)	17%
ER CONTR-911 SERVICE	(45,637.00)	-	(45,637.00)	(3,387.60)	-	(42,249.40)	7%
ER CONTR-CHILD CARE	(44,198.00)	-	(44,198.00)	(3,105.30)	-	(41,092.70)	7%
ER CONTR-DIV ON AGING	(46,432.00)	-	(46,432.00)	(3,911.20)	-	(42,520.80)	8%
ER CONTR-RETIRE SYSTEM	(2,227.00)	-	(2,227.00)	-	-	(2,227.00)	0%
ER CONTR-GYPSY MOTH	(2,581.00)	-	(2,581.00)	(408.77)	-	(2,172.23)	16%
ER CONTR-HOME REHABIL.	-	-	-	-	-	-	0%
ER CONTR-100% TAX PYMT	(3,338.00)	-	(3,338.00)	(282.30)	-	(3,055.70)	8%
ER CONTR-MED CARE FAC.	(485,934.00)	-	(485,934.00)	-	-	(485,934.00)	0%
ER CONTR-SELF INSURANC	(483.00)	-	(483.00)	(338.75)	-	(144.25)	70%
ER CONTR-COMM.CORRECT.	(2,025.00)	-	(2,025.00)	-	-	(2,025.00)	0%
ER CONTR-F.O.C. FUND	(2,263.00)	-	(2,263.00)	-	-	(2,263.00)	0%
ER CONTR-HOUSING FUND	(5,623.00)	-	(5,623.00)	(282.30)	-	(5,340.70)	5%
ER CONTR-SOLDIER RELIE	-	-	-	-	-	-	0%
ER CONTRIB-LOCAL CFO TR	(602.00)	-	(602.00)	-	-	(602.00)	0%
ER CONTRIB-CONC PISTOL	(536.00)	-	(536.00)	(84.68)	-	(451.32)	16%
ER CONTR-MIDC FUND	-	-	-	-	-	-	0%
ER CONTR-SHERIFF DEPT	(174,208.00)	-	(174,208.00)	(13,832.70)	-	(160,375.30)	8%
Total RJ LOCAL UNIT CONTRIBUT	(1,835,033.00)	-	(1,835,033.00)	(87,385.15)	-	(1,747,647.85)	5%
INVESTMENT INTEREST/DIVIDENDS	(500,000.00)	-	(500,000.00)	-	-	(500,000.00)	0%
GAIN ON SALE OF INVESTMENTS	(1,500,000.00)	-	(1,500,000.00)	-	-	(1,500,000.00)	0%
UNREALIZED GAIN ON INVESTMENTS	-	-	-	-	-	-	0%
SECURITIES LENDING EARNINGS	(288.00)	-	(288.00)	-	-	(288.00)	0%
Total RP INTEREST & RENTALS	(2,000,288.00)	-	(2,000,288.00)	-	-	(2,000,288.00)	0%
MISCELLANOUS REVENUES	-	-	-	-	-	-	0%
COMMISSION RECAPTURE	(5,000.00)	-	(5,000.00)	-	-	(5,000.00)	0%
Total RR OTHER REVENUE	(5,000.00)	-	(5,000.00)	-	-	(5,000.00)	0%
TRANSFERS IN FROM GENERAL FUND	-	-	-	-	-	-	0%
TOTAL OTHER FINANCING SOURCE	-	-	-	-	-	-	0%

2019 VEBA YTD BUDGET REPORT

ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
PER DIEM	360.00	-	360.00	-	-	360.00	0%
Total XE WAGES & SALARIES	360.00	-	360.00	-	-	360.00	0%
OFFICE SUPPLIES	100.00	-	100.00	-	-	100.00	0%
PRINTING AND BINDING	150.00	-	150.00	-	-	150.00	0%
POSTAGE	70.00	-	70.00	-	-	70.00	0%
COMPUTER SUPPLIES	50.00	-	50.00	-	-	50.00	0%
Total XI SUPPLIES	370.00	-	370.00	-	-	370.00	0%
PROFESSIONAL SERVICES	130,000.00	-	130,000.00	-	-	130,000.00	0%
ACTUARIAL SERVICES	45,000.00	-	45,000.00	-	-	45,000.00	0%
INVESTMENT/BANK SERVICE CHARGE	10,000.00	-	10,000.00	-	-	10,000.00	0%
LEGAL FEES	-	-	-	-	-	-	0%
CONSULTANTS	16,000.00	-	16,000.00	4,000.00	-	12,000.00	25%
LOCAL TRAVEL MILEAGE	-	-	-	-	-	-	0%
EQUIPMENT RENTAL-COPY MACHINES	53.00	-	53.00	-	-	53.00	0%
INDIRECT COST EXPENSE	5,952.00	-	5,952.00	-	-	5,952.00	0%
LOSS ON DISPOSAL OF ASSET	424,266.00	-	424,266.00	-	-	424,266.00	0%
UNREALIZED LOSS ON INVESTMENTS	-	-	-	-	-	-	0%
INSURANCE AND BONDS	4,000.00	-	4,000.00	-	-	4,000.00	0%
Total XL OTHER SERVICES AND C	635,271.00	-	635,271.00	4,000.00	-	631,271.00	1%
Revenue Total	(636,001.00)	-	(636,001.00)	(87,385.15)			
Expense Total	636,001.00	-	636,001.00	4,000.00			
Grand Total	-	-	-	(83,385.15)			

VEBA Invoices Approved: Jan-19

Invoice Date	Vendor	Amount	Description
1/14/2019	MFS INSTITUTIONAL	\$ 14,217.64	4Q 2018 MONEY MGR FEES
1/14/2019	CS MCKEE	\$ 12,517.57	4Q 2018 MONEY MGR FEES
1/11/2019	LOOMIS	\$ 4,316.47	4Q 2018 MONEY MGR FEES



**BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION**

BAY COUNTY BUILDING
515 CENTER AVENUE
BAY CITY, MICHIGAN 48708-5128

Jan Histed
Secretary

BOARD OF TRUSTEES
Steven Gray, Chairperson
Richard Brzezinski
Kristal Gonzales
Richard Gromaski
Thomas M. Herek
Jon Morse
Matthew Pett
Thomas Ryder
Sandy Shutt

January 8, 2019

ADMINISTRATIVE STAFF
Katie Meeth
Tracy Cederquist
(989) 895-4043
TDD (989) 895-4049
FAX (989) 895-2076

Mr. Jeffrey Davidek
V.P./Marketing Mgr.
C.S. McKee, L.P.
420 Ft. Duquesne Blvd
One Gateway Center, 8th Floor
Pittsburgh, PA 15222

Dear Mr. Davidek:

There is a need for the Bay County Voluntary Employees' Beneficiary Association to rebalance its asset allocation therefore, I am requesting that C.S. McKee divest themselves of \$6,500,000.00 (six million five hundred thousand dollars) and make funds available for the Comerica Bank on Friday, January 11, 2019.

If you have any questions or concerns regarding the above, please contact me at (989) 895-4030.

Sincerely,

A handwritten signature in cursive script that reads "Jan M. Histed".

Jan Histed
Bay County Finance Officer

c: Bay County Employees' Retirement System Board of Trustees
Peter Brown, AndCo
Daniel Berd, Comerica
Kathleen Meeth, Retirement Administrator



**BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
 BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION**
 BAY COUNTY BUILDING
 515 CENTER AVENUE
 BAY CITY, MICHIGAN 48708-5128

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 FAX (989) 895-2076

Withdrawal Request

Date: January 10, 2019

Loomis Sayles Trust Company, LLC
 Attention: Client Intake
 One Financial Center, 27th Floor
 Boston, MA 02111
 Fax: (857) 400-3573
 Or E-Mail: Client_Intake@loomissayles.com

By completing and submitting this Withdrawal Request, the undersigned Subscriber of the NHIT: Investment Grade Corporate Bond Trust _____ ("Fund") requests to withdraw a portion or all its interest in the Fund ("Interest"), subject to all of the terms and conditions of the Fund's Confidential Private Placement Memorandum, as it may be amended and supplemented from time to time. Withdrawals will be implemented on a first-in, first-out basis, unless otherwise determined by the Trustee.

The Subscriber requests to withdraw a portion of its Interest in the following dollar amount: \$ 1,000,000 on trade date 01/31/19.

The Subscriber requests to withdraw its entire Interest on trade date _____.

FOR FUNDS REQUIRING ADVANCE NOTICE FOR WITHDRAWAL: A request for withdrawal shall be effective on the next Valuation Date that is at least 15 or 30 days, as applicable under the Fund's Confidential Private Placement Memorandum, after the Trustee receives the request. Valuation Dates for Funds allowing withdrawal on a semi-monthly basis are the Business Day immediately preceding the first Business Day of the month and the Business Day immediately preceding the 15th of the month. Valuation Dates for Funds allowing withdrawal on a daily basis are each Business Day.

FOR FUNDS NOT REQUIRING ADVANCE NOTICE: A request for withdrawal must be received by the Trustee by the close of business of the New York Stock Exchange in order to be effective on that date.

If desired, set forth instructions for the account to which the cash proceeds of the redemption may be sent by wire transfer:

Comerica Bank
Name of Bank

411 W. Lafayette, Detroit, MI 48226
Address of Bank

11100753
ABA Number

1055082148
Account Number

Bay County (VEBA) Cash
Name Under Which Account Is Held

Subscriber Name: Bay County Voluntary Employees
Beneficiary Association

Subscriber Account Number: NT01107

Signature: *Jan M. Husted*

Accepted this ___ day of _____, 20__

NHIT:

BY: Loomis Sayles Trust Company, LLC, as Trustee of the NHIT: Investment Grade Corporate Bond Trust

BY: _____

Name:

Title:



**BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION**

BAY COUNTY BUILDING
515 CENTER AVENUE
BAY CITY, MICHIGAN 48708-5128

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Jan Histed
Secretary

January 10, 2019

ADMINISTRATIVE STAFF
Katie Meeth
Tracy Cederquist
(989) 895-4043
TDD (989) 895-4049
FAX (989) 895-2076

Daniel A. Berd
Relationship Manager
Comerica Bank
411 W Lafayette Blvd – M/C 3462
Detroit, MI 48226

RE: BAY COUNTY VOLUNTARY EMPLOYEES BENEFICIARY ASSOCIATION
TRANSACTION: TRANSFER BETWEEN ACCOUNTS
SPONSOR: BAY COUNTY VEBA

Dear Mr. Berd:

You are directed to process the transaction listed below:

Transfer cash between Trust/Custody Accounts representing \$1,000,000.00 as directed on Thursday, January 31, 2019.

Transfer from:

<u>Account No.</u> <u>Short Code</u>	<u>Account Name</u>	<u>Currency</u>	<u>Amount</u>	<u>P or I</u>
1055082503	BAYCNTY-LOOMIS	USD	\$ 1,000,000.00	P

Transfer to:

<u>Account No.</u> <u>Short Code</u>	<u>Account Name</u>	<u>Currency</u>	<u>Amount</u>	<u>P or I</u>
1055082148	VEBA-CASH	USD	\$ 1,000,000.00	P

Thank you for your attention to this matter.

Sincerely,

Jan Histed
Bay County Finance Officer/Secretary

cc: Kathleen Meeth



**BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
 BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION**
 BAY COUNTY BUILDING
 515 CENTER AVENUE
 BAY CITY, MICHIGAN 48708-5128

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 Sandy Shutt

Jan Histed
 Secretary

January 9, 2019

REVISED JANUARY 8, 2019 LETTER

ADMINISTRATIVE STAFF
 Katie Meeth
 Tracy Cederquist
 (989) 895-4043
 TDD (989) 895-4049
 FAX (989) 895-2076

Daniel A. Berd
 Relationship Manager
 Comerica Bank
 411 W Lafayette Blvd – M/C 3462
 Detroit, MI 48226

RE: BAY COUNTY VOLUNTARY EMPLOYEES BENEFICIARY ASSOCIATION
 TRANSACTION: TRANSFER BETWEEN ACCOUNTS
 SPONSOR: BAY COUNTY VEBA

Dear Mr. Berd:

You are directed to process the transaction listed below:

Transfer cash between Trust/Custody Accounts representing \$6,500,000.00 as directed on Friday, January 11, 2019.

Transfer from:

<u>Account No.</u> <u>Short Code</u>	<u>Account Name</u>	<u>Currency</u>	<u>Amount</u>	<u>P or I</u>
1055082344	BAYCNTY-CSMCKEE	USD	\$ 6,500,000.00	P

Transfer to:

<u>Account No.</u> <u>Short Code</u>	<u>Account Name</u>	<u>Currency</u>	<u>Amount</u>	<u>P or I</u>
1055082148	VEBA-CASH	USD	\$ 6,500,000.00	P

Thank you for your attention to this matter.

Sincerely,

Jan Histed
 Bay County Finance Officer/Secretary

cc: Kathleen Meeth