

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
 AGENDA  
 TUESDAY, APRIL 9, 2019  
 (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 - 9 .....	1.	MARCH 12, 2019 SPECIAL MEETING
10 - 13 .....	2.	MARCH 12, 2019 REGULAR MEETING
	IV.	PUBLIC INPUT
	A.	MONTHLY REPORTS - RES NO. 2019-5 (APPROVE)
14 - 15 .....	1.	PORTFOLIO VALUE 1/01/19 - 3/29/19
	2.	CHANGE IN NET ASSETS - (UNAVAILABLE)
16 - 27 .....	3.	MONEY MANAGER REPORTS
	a.	CS MCKEE - ENDING 2/28/19
	b.	DODGE & COX - ENDING 2/28/19 AND DISTRIBUTION REINVESTMENT MARCH 2019
	c.	LOOMIS - ENDING 2/28/19
	d.	MFS REPORTS - ENDING 2/28/19
28 - 29 .....	4.	RECAPTURE SERVICES
	a.	CAPIS - ENDING 2/28/19
30 - 32 .....	5.	COMERICA SUMMARY EARNINGS - ENDING 2/28/19
33 - 34 .....	6.	VEBA YTD BUDGET REPORT 3/29/19
35 .....	7.	INVOICES APPROVED - 3/31/19
36 - 40 .....	B.	CORRESPONDENCE COMERICA, MFS, DODGE & COX, LORD ABBETT - REBALANCE TO RAISE CASH FOR CLARKSTON AND DIMENSIONAL FUND ADVISORS (MOTION TO RECEIVE)
41 - 44 .....	C.	CORRESPONDENCE TO COMERICA TO FUND THE CLARKSTON AND DIMENSIONAL FUND ADVISOR ACCOUNTS (MOTION TO RECEIVE)
45 - 73 .....	D.	SERVICE DISCLOSURE FORMS RES NO. 2019-6 (APPROVE)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

AGENDA

TUESDAY, APRIL 9, 2019

(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, MAY 14, 2019  
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)  
MARCH 12, 2019 – SPECIAL 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.**

A Special meeting of the Board of Trustees was held on March 12, 2019 at 8:30 a.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, Ms. Gonzales, Mr. Herek, Mr. Morse, Mr. Pett, Mr. Ryder, and Ms. Shutt and Ms. Walraven.

**Trustees Absent:** Mr. Gromaski

**Also Present:**

Consultant: AndCo Consulting - Peter Brown.

Secretary: Jan Histed

Retirement Administrator: Katie Zanotti

Corporation Counsel:

The meeting was called to order by Chairman, Steve Gray at 8:32 a.m.

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

Today's meeting is to interview six money managers, three Small-Cap managers and three Mid-Cap managers.

**MOTION 15:** Moved, supported and carried to excuse Trustee Gromaski.

The first to present today were Mr. Michael Cervi, Partner and Client Service and Mr. Corey Bronner, Partner and Consumer and Financial Analyst with Champlain Investment Partners. A copy of the presentation was provided to Trustees, in advance, via the web.

Mr. Cervi gave a review of the firm. They are employee owned. Champlain has \$10.5 billion in assets under management. He reviewed the investment process. They are very disciplined and have a client first mentality. They have a client operating committee that runs the business and allows the investment team to focus solely on increasing investment results for clients.

Mr. Bronner reviewed the investment team members and their roles. He explained their investment goals of making money, managing risk, and being consistent. He also reviewed their risk management. He then reviewed performance, investment philosophy and investment process. He explained they reallocate capital in their portfolios away from stocks trading above what they believe their fair value is to where it is discounted to what they believe the business is worth. They try to build a largest weighted average discount to fair value at the portfolio level which gives them a real buffer on the downside scenario. He explained their Mid-Cap strategy buy discipline and their sell discipline as well as reviewed their overweights and underweights.

Mr. Brown asked them to comment on their outperformance over the past year even in the down market as

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – SPECIAL MEETING**

PAGE 2

well as how the portfolio has done since the snap-back recovery. Mr. Bronner stated last they outperformed as they would expect. In the up markets, they did better than they would expect and they did even better than expected in a down market. The things they expected to outperform in a down market did outperform. Their largest weight was acquired by IBM at 60% above what it was trading at. Year-to-date they have kept pace with the benchmark.

Mr. Brown asked him to speak on their downside protection and give examples of what the portfolio looked like in 2008 and 2011. Mr. Bronner stated in 2008 the Mid-Cap portfolio was down -26% and the benchmark was down -42%. In 2008, the team recognized the mortgage crisis pretty early and they were almost zero weight in banks for a lot of that period. In 2011 and the period of 2016, they have always had downside protection because in Consumer's Financials and Industrials, they are always less cyclical. They have also found in technology and healthcare, those markets trade independently of what is happening in the market.

Mr. Brown asked them to comment on how they expect to perform. Mr. Bronner explained they are always positioned the same way and looking at their rolling 3-year returns, that is how they would expect to perform.

**MOTION 16:** Moved, supported and carried to receive the report from Champlain Investment Partners.

The next to present was Mr. Kurt Terrien, Managing Director of Institutional Sales from Clarkston Capital Partners, LLC. A copy of the presentation was provided to Trustees, in advance, via the web.

Mr. Terrien gave a brief introduction of Clarkston Capital. Clarkston is a local company. They have 30 employees and are getting ready to open a second location in Rochester, Michigan. They manage just under \$4 billion in three strategies. They are very focused and very concentrated. They are employee owned. He reviewed how the company started. He gave an overview of their investment philosophy. Their mindset is that they buy companies. They focus on risks that matter. Their portfolios are designed to provide downside protection. He stated quality and value would summarize their investment approach in two words. They look for quality and wait for value. He explained they don't worry about the benchmark or the index. They try to beat 10%.

He then reviewed their sell discipline and reason for getting rid of a company. He also reviewed their holdings, sector allocation, characteristics and performance.

Mr. Brown asked him to talk about their cash holdings and reasons for holding cash. Mr. Terrien stated they have had pretty high cash. If they don't see a 10% return or higher on some portfolios, they will sit in cash. It comes down to value. In late 2018, there were some great opportunities created and some of the names they had been watching suddenly had a sale sticker on them and they added four new names in the past three months. He stated normally ideal cash would be 10% but they won't risk capital unless prices are right.

Mr. Brown asked him to comment on how the portfolio performed in the late market cycle. Mr. Terrien gave a snapshot of how the portfolio has performed since inception. They have been able to hit their target of 10% or higher for nearly 15 years now. In 2008, they were down but still beat by 8%. In 2011 and 2015, the market was down and they were positive both of those years. Last year, they underperformed all the

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – SPECIAL MEETING**

PAGE 3

way through October due to having cash. Then in November and December the market turned, they ended up beating by 350 basis points.

There were no further questions.

**MOTION 17:** Moved, supported and carried to receive the Clarkston Capital Partners presentation.

Next to present were Mr. Jon Moody, Principal & Portfolio Manager and Mr. Robert Wainscott, Portfolio Specialist of Touchstone Advisors/The London Company Mic-Cap Strategy. A copy of the presentation was provided to Trustees, in advance, via the web.

Mr. Wainscott reviewed the firm. They have a team of 10 with 6 portfolio managers and 4 research analysts. They have over \$21 billion in assets under management. The London Company takes a long-term prospective with a focus on downside protection. He reviewed the portfolio construction, principals, investment approach. They use a balance sheet approach which differentiates them. They also have a concentrated high active share portfolio.

Mr. Moody gave an overview of their investment approach which centers on three phases of analysis: Businesses with sustainably high returns on capital, balance sheet optimization, and meaningful portfolio construction and detailed each of these phases. They look to purchase companies trading at a significant discount to intrinsic value. In terms of portfolio construction, it is bottoms up with the exception of maximum sector weight of 2 x benchmark weight. They are basing that on sectors that are at least 10% of the index. He talked about risk control. He reviewed their sell triggers.

Mr. Moody then reviewed their top ten holdings, sector weightings and performance. Their return on capital is 19.5% versus the index at 10.1%. Net Debt/EBITDA is 1.9x versus the index at 3.0x which shows their companies are less indebted. Their valuation is a little higher than the index. He stated their performance has done well due to great stock selection.

Their turnover is typically 25% or less. He explained when doing the balance sheet optimization they are assuming little to no growth and buying at hopefully 30% to 40% discount between intrinsic value.

Mr. Brown asked how they think the portfolio will perform going forward. Mr. Wainscott explained because of the portfolio statistics they think about return to capital. The return to capital is so much higher than the index and they are less levered, one of the risks is the amount of debt that has been raised since the bottom of the last cycle. More specifically, looking at where they are at over 50% of investment grade ratings at BBB. He stated they will ultimately go into a downturn and when that happens looking at the amount of debt previously financed in 2021 and 2022 it's a real risk. A lot of that is downgraded it will create a lot of pain for a lot of companies. Having the lower leverage will be good.

There were no further questions.

**MOTION 18:** Moved, supported and carried to receive the presentation from Touchstone Advisors/The London Company.

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – SPECIAL MEETING**

PAGE 4

The Board discussed their opinions and choices of the Mid-Cap managers.

Mr. Brown gave a brief review the Mid-Cap managers. All are top notch and top decile performers. They are quality portfolios that protect on the downside and keep up with the market on the upside. He explained that Champlain and Clarkston are two different types of strategies and when the Board decides on the small-cap managers there is a little more diversity in terms of strategy and style.

Mr. Brown would like the Board to choose two different styles of portfolios one for Mid-Cap and one for Small-Cap so that they do not mirror each other. The Board will make their decision on the Mid-Cap manager after they have heard from all the Small-Cap managers.

The next to present were David Sowerby, Managing Director/Portfolio Manager and Nick Koenigsnecht, Assistant Vice President/Equities Analyst for Ancora Advisors for Small-Cap strategy. A copy of the presentation was provided to Trustees, in advance, via the web.

Mr. Sowerby reviewed the firm. Ancora has been in business for over 15 years. They have a growing office in Michigan. They have 12 Michigan public pension fund clients. Their mission is to find small SMID-Cap stocks. He reviewed the team and experience. The portfolio is made up of between 60 and 70 stocks which gives them diversification and risk control. They use a smaller asset base which they feel is import to keep the size manageable.

He gave an overview of their research and analysis. For a stock to go into a portfolio, it must fall into one of three categories: special situations, under-followed, or franchise. Regarding risk management, they will own about 60 stocks on average which they believe gives them diversification and good risk control. Their turnover is typically to own stock a little over two years. Self-discipline is equally important. He stated their downside protection is very good. If the market is down \$1, they are down \$0.85. If the market is up \$1, they are up more than \$1. He stated their upside/downside is better than 20% between what they do on up markets and how they protect capital on the downside. He reviewed their risk and return metrics.

In Summary, he stated they have a proven track record of the lead portfolio manager and their returns have demonstrated favorable outcome for downside market protection with upside market results. Ancora has a long-term commitment to Michigan with a growing local office and the interests of the investment team are very much aligned with their clients.

Mr. Brown asked him to talk about their time with Loomis and the fund getting too big. Mr. Sowerby stated in March of 2011, the small and SMID Loomis was over \$4 billion in assets under management. However, his colleague knew to find the under-followed stocks the probability is reduced because they are too big. His colleague took a leave of absence from Loomis and found Ancora in 2011 and then made a decision with the CEO that he and he alone decides when to close the portfolio. One of the keys to a small cap is to get the manager who has good numbers before they get too big.

There were no further questions.

**MOTION 19:** Moved, supported and carried to receive the presentation from Ancora Advisors.

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – SPECIAL MEETING**

PAGE 5

The next to present was Graham Dorland, Regional Director of Dimensional Fund Advisors. A copy of the presentation was provided to Trustees, in advance, via the web.

Mr. Dorland gave a brief overview of the firm. Dimensional is a large asset manager. They have about \$517 billion in assets under management.

He explained how Dimensional fits in the market. At Dimensional they are very systematic and process driven based on academic research. That is a core fundamental but they also start with broad diversification and low fees. With that academic research, they have targeted areas where they create higher returns and a more stable, reliable outcome for clients. By doing this, they get return upside and broadly diversified low fees.

At Dimensional Investing, they believe the markets take information every day and create prices. They take that price and combine it with the academic research based on prices and come up with two things that will create higher expected returns for their clients - the long-term drivers and how to implement those over time to create better outcomes.

He reviewed how they design their portfolios and the drivers of long-term asset allocation which are company size, relative price and profitability. He gave an overview of the construction of the Small-Cap portfolio. They are systematically process driven. They tilt toward smaller, more value-oriented and higher profitability companies. He explained that short-term considerations and trading costs are key components of them creating a better experience and producing outside returns. He explained how they balance the difference between long-term and short-term expected returns.

Review of their performance shows over 15 years they outperformed the Morningstar benchmark and all of their funds are still in existence.

Mr. Brown asked about the performance numbers and struggling the last 3 years or so. With the value tilt, he asked Mr. Dorland to talk about how the portfolio is positioned compared to sources of underperformance more recently. Mr. Dorland explained growth stocks on a whole in international and emerging have outperformed. They have seen growth at any cost kind of onset. He compared it to the dot com era. They have seen this before and data tells them this has happened before. People have very low fear and high expectations so they are willing to take on risk of lower profitable companies and companies that are more growthy type where they don't have any cash flows to account for but are trading at crazy multiples verses Dimensional where they know what they are doing every minute, tilting toward the small end of the market, the value of the market and higher profitability stocks that will create a more stable outcome over time. The premiums might not show up every year and they haven't seen it actually the last 5 years. He talked about hiring Dimensional because you believe in their systematic process and tilt toward small value. They still believe those will create higher long-term and higher returns. Since this era of growth at any cost has pushed the market higher on the growth side, they have underperformed a little. Again, they are talking about reliability and long-term outcomes. Five year numbers plus, most all funds have done really well. This one-year number is hurting the five-year number but they expect that to correct over time.

Mr. Brown asked him to talk about how DFA is different than just one guy picking stocks. Mr. Dorland stated he talked about their core belief and academic finance research. In the firm's genesis, there was a

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – SPECIAL MEETING**

PAGE 6

gentleman named David Booth, who actually now is a trustee at the Booth School of Business in Chicago. He started as a Pension consultant and realized everyone was only covering large cap stocks. Eugene Fama, a Nobel Laureate, came out with a paper while Mr. Booth was a student of his. It said that the small cap stocks over time would outperform large-cap stocks. Mr. Booth said "No, my client's had this and I need to do this." He went and walked through the halls at the University of Chicago and asked people to be involved to help create this firm. It has created a very unique scenario where they have academics and leaders in academics internally at the firm. This helped their firm create a strong legacy and a core belief in research. They have a different level of research.

**MOTION 20:** Moved, supported and carried to receive the Dimensional Fund Advisors presentation.

The last to present was Jon Matta, Regional Managing Director of Mass Mutual. A copy of the presentation was provided to Trustees, in advance, via the web.

Mr. Matta gave an overview of the firm. They have \$771 billion in assets under management which includes Oppenheimer and Barings. They have been in business for 165 years. Mass Mutual Funds has \$49.2 billion in assets under management. They are an institutional manager. They have diverse fund offerings with over 100 funds as well as target date solutions. They are a multi-manager firm. Review of the investment philosophy stated they deliver unique investment solutions leveraging independent, institutional asset managers with the goal of consistent outperformance. The investment process is based on building the right funds, finding the right managers and managing for consistent results.

He then reviewed the small cap opportunities fund. This is an actively managed portfolio that has 97 holdings. It seeks capital appreciation. It has a strong track record with consistent top half results verses peers over rolling 3-year periods. It has consistent research approach with bottom-up, high-conviction stock portfolio. With regard to portfolio construction, limited securities are limited to 4% active weight and limited sector weights are +/- 6% of the benchmark. Investment companies are likely to maintain or increase competitive advantages over the next 2-5 years.

Performance was reviewed from the past quarter to 10-year. The Morningstar Rating showed the 10-year performance ranked at 9%. Mr. Mann also reviewed the fund characteristics and sector allocation. He stated his opinion is to pay attention to the upside/downside capture as this is more of an all-weather portfolio. In a market downturn, it should dramatically outperform its benchmark. He reviewed sector attributions.

Trustee Herek asked for clarification on the institutional manager partners and if those partners are who they invest money with. Mr. Matta stated he is correct and that they invest with these managers. They hire managers and they have the ability to remove a manager if they don't like what is going on. He clarified that the numbers and statistics shown today are solely the manager in this portfolio.

Trustee Pett asked if the subadvisor, Matthew Ziehl, worked for Oppenheimer. Mr. Matta confirmed that was correct. This is a team product and they are all Oppenheimer individuals.

**MOTION 21:** Moved, supported and carried to receive the Mass Mutual presentation.



**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)**  
**MARCH 12, 2019 – SPECIAL MEETING**

PAGE 7

Mr. Brown reviewed the different Mid-Cap and Small-Cap managers that interviewed. He talked about the different strategies of each manager.

The Board discussed their opinions and choices of Small-Cap managers. Mr. Brown gave his recommendations on the different styles and mentioned that there is no overlap between Clarkston and Ancora. He stated an option would be to split the midcap allocation between Champlain and Clarkston and then select a small cap manager.

Ms. Walraven asked if Clarkston's large cash position required a vote to waive the IPS requirements.. Mr. Brown stated these investment strategies are through mutual funds and not subject to the IPS constraints. The IPS provides addendums for each of the individual separate account managers.

**MOTION 22:** Moved, supported and carried to hire Clarkston for Mid-Cap money manager.

ROLL CALL VOTE:

- GONZALES: Yes
- GRAY: Yes
- GROMASKI: Excused
- HEREK: Yes
- MORSE: Yes
- PETT: Yes
- RYDER: Yes
- SHUTT: Yes
- WALRAVEN: Yes

MOTION CARRIES.

**MOTION 23:** Moved, supported and carried to hire Dimensional Financial Advisors for the Small-Cap money manager.

ROLL CALL VOTE:

- GONZALES: Yes
- GRAY: Yes
- GROMASKI: Excused
- HEREK: Yes
- MORSE: Yes
- PETT: Yes
- RYDER: Yes
- SHUTT: Yes
- WALRAVEN: Yes

MOTION CARRIES.  
**ANNOUNCEMENTS:**

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – SPECIAL MEETING**

PAGE 8

- A. Next regularly scheduled meeting will be Tuesday, March 12, 2019 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:** None

**NEW BUSINESS:** None

**MISCELLANEOUS BUSINESS:** None

**ADJOURNMENT:**

**MOTION 24:** Moved, supported and carried to adjourn the meeting at 11:41 a.m.

Respectfully submitted,



Jan Histed  
Secretary

Transcribed by: Tracy Cederquist

**MEETING OF THE **VEBA** BOARD OF TRUSTEES COMMITTEE**  
**MARCH 12, 2019 (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: CHAIRPERSON STEVE GRAY AT 8:32 A.M.

**MOTIONS**

Trustee	15	16	17	18	19	20	21	22	23
GONZALES	Y	Y	Y	M-Y	S-Y	S-Y	Y	Y	M-Y
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y
GROMASKI	E	E	E	E	E	E	E	E	E
HEREK	Y	Y	Y	Y	Y	Y	M-Y	M-Y	Y
MORSE	S-Y	S-Y	Y	Y	Y	Y	S-Y	Y	Y
PETT	Y	Y	M-Y	Y	M-Y	Y	Y	Y	Y
RYDER	Y	M-Y	S-Y	Y	Y	Y	Y	Y	Y
SHUTT	M-Y	Y	Y	S-Y	Y	Y	Y	S-Y	S-Y
WALRAVEN	Y	Y	Y	Y	Y	M-Y	Y	Y	Y

Trustee	24								
GONZALES	Y								
GRAY	Y								
GROMASKI	E								
HEREK	Y								
MORSE	Y								
PETT	M-Y								
RYDER	S-Y								
SHUTT	Y								
WALRAVEN	Y								

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 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 March 12, 2019 at 1:36 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, Ms. Gonzales, Mr. Herek, Mr. Morse, Mr. Pett, Mr. Ryder, Ms. Shutt and Ms. Walraven.

**Trustees Absent:** Trustee Gromaski

**Also Present:**

Consultant: AndCo Consulting - Peter Brown.

Secretary: Jan Histed

Retirement Administrator: Katie Zanotti

Corporation Counsel:

The meeting was called to order by Chairman, Steve Gray at 1:36 p.m.

**MOTION 25:** Moved, supported and carried to excuse Trustee Gromaski.

**MOTION 26:** Moved, supported and carried to approve the minutes, as printed, from the February 12, 2019 regular meeting.

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

Present today were Mr. James Anderson and Ms. Shana Neeson from Gabriel Roeder Smith to present the VEBA valuation December 31, 2017. A copy of his presentation was provided to Trustees, in advance, via the web.

Ms. Neeson reviewed information on Public Act 202 of 2017, Protecting Local Government Retirement and Benefit Act. It was intended to reflect recommendations from Governor Snyder's Responsible Retirement Reform Local Government Task Force Report. This includes new mandates, new reporting/transparency requirements and underfunded local units' requirements. Ms. Neeson reviewed the new mandates and new reporting requirements. She explained the Trend that GRS uses of a 10-year schedule grading from 9.0% initial to 3.5% ultimate and the PA 202 requirement of 17-year schedule grading from 8.5% initial to 4.5% ultimate. She stated the Plan is not meeting the Uniform Assumption but that the Uniform Assumption is for reporting purposes and to comply with PA 202 it could just be doing a supplemental valuation of results to qualify under the PA 202 assumptions and meeting those requirements simply for reporting purposes. Ms. Walraven asked if the Board had voted on that trend or if it is a GRS process to use that trend. Mr. Anderson stated that is just part of the valuation process. He explained that if they were to make a change for PA 202, they would probably have the Board weigh in on that.

Ms. Neeson also talked about the new requirement of determining the underfunded status, what that determination is based on as well as calculations, reporting, waivers and the Municipal Stability Board

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
MARCH 12, 2019 – REGULAR MEETING**

PAGE 2

reviewing corrective action plans and monitoring.

Mr. Anderson reviewed the components making up the actuarial valuation, present value of future benefits, actuarial liability, normal cost, future normal costs, and how they come up with the unfunded actuarial liability. He also reviewed the amortization periods and methods.

He explained the updated assumptions for the discount rate, trend rate and experience study changes made since the last study as well as other adjustments that were made.

Review of the actuarially computed employer contribution results showed generally contributions decreased for all the groups except for Road Commission. There was no change in the BABH contribution. BABH showed they are 191.8% funded. He reviewed the funded ratio of each entity and contributions.

Mr. Anderson explained VEBA valuations are required once every 2 years. GASB valuations are produced each year. There has been a lot of discussion about Public Act 202. He stated they can get that information required by PA 202 from the GASB valuations. The Board requested last year to have annual VEBA valuations which GRS certainly can do. This has the advantage of giving updated results. This has been discussed with staff. It has been noted that data needs to be received sooner. Doing the valuation yearly increases the Bay County staff workload as well as GRS fees.

**MOTION 27:** Moved, supported and carried to receive the December 31, 2017 VEBA Valuation from Gabriel Roeder Smith.

**RES. NO. 2019-3:**

Moved, supported and carried to adopt resolution 2019-3 to receive the monthly reports Portfolio Value ending 2/28/19 (today's value \$56,952,000), Monthly Change in Net Assets ending 2/28/19, C.S. McKee performance report ending 1/31/19, Dodge & Cox – Ending 1/31/19, Loomis – Ending 1/31/19, MFS Reports – Ending 1/31/19; Capis Recapture services ending 1/31/19, Comerica Summary Earnings ending – 1/31/19; VEBA YTD Budget Report ending 2/28/19 , and Approved Invoices Report ending 2/28/19.

**RES. NO. 2019-4**

Moved, supported and carried to approve the addition of Shawna Walraven as an authorized signer to approve payment for VEBA invoices.

**ANNOUNCEMENTS:**

- A. Next regularly scheduled meeting will be Tuesday, April 9, 2019 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:** None

**NEW BUSINESS:** None

**MINUTES** BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION **(VEBA)**  
MARCH 12, 2019 – **REGULAR MEETING**

PAGE 3

**MISCELLANEOUS BUSINESS:** None

**ADJOURNMENT:**

**MOTION 28:** Moved, supported and carried to adjourn the meeting at 2:02 p.m.

Respectfully submitted,



Jan Histed  
Secretary

Transcribed by: Tracy Cederquist

**MEETING OF THE **VEBA** BOARD OF TRUSTEES COMMITTEE**  
MARCH 12, 2019

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 AT 1:36 P.M.

**MOTIONS**

Trustee	25	26	27	28					
GONZALES	Y	Y	Y	S-Y					
GRAY	Y	Y	Y	Y					
GROMASKI	E	E	E	E					
HEREK	Y	Y	Y	M-Y					
MORSE	S-Y	Y	S-Y	Y					
PETT	M-Y	Y	M-Y	Y					
RYDER	Y	Y	Y	Y					
SHUTT	Y	S-Y	Y	Y					
WALRAVEN	Y	M-Y	Y	Y					

**RESOLUTIONS**

Trustee	2019-3	2019-4							
GONZALES	Y	Y							
GRAY	Y	Y							
GROMASKI	E	E							
HEREK	Y	Y							
MORSE	S-Y	S-Y							
PETT	Y	Y							
RYDER	Y	M-Y							
SHUTT	Y	Y							
WALRAVEN	M-Y	Y							

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
4/9/2019  
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 - 3/29/19
2. CHANGE IN NET ASSETS – (UNAVAILABLE)
3. MONEY MANAGER REPORTS
  - a. C.S. MCKEE – ENDING 2/28/19
  - b. DODGE & COX – ENDING 2/28/19
  - c. LOOMIS – ENDING 2/28/19
  - d. MFS REPORTS – ENDING 2/28/19
4. RECAPTURES SERVICES
  - a. CAPIS - SUMMARY ENDING 2/28/19
5. VEBA YTD BUDGET REPORT – ENDING 3/29/19
6. INVOICES APPROVED - 3/31/19

STEVE GRAY, CHAIR  
AND BOARD

MONTHLY REPORTS - APRIL

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

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

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

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	9,626,153.72	529,804.20	7,382,478.70	10,246,096.63	10,387,610.00	10,821,238.19	4,052,301.26	3,849,999.99	56,895,682.69
Mar-19	9,085,812.36	392,067.49	23.37	10,458,192.97	9,342,881.12	10,921,308.79	4,062,788.58	3,849,999.99	48,113,074.67
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

# C.S. McKee, L.P.

## Account Overview

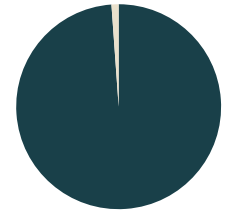
Bay County VEBA

Client Code: 90477  
As Of Date: 2/28/2019  
Report: Calendar

## Asset Allocation

As of 2/28/2019

Large-Cap Equity	\$ -	0.00%
Small-Cap Equity	\$ -	0.00%
Fixed Income	\$ 10,201,065.37	98.87%
Intl Mutual Fund	\$ -	0.00%
Cash	\$ 116,082.47	1.13%
Other	\$ -	0.00%
<b>Total Portfolio:</b>	<b>\$ 10,317,147.84</b>	<b>100.00%</b>



## Performance

As of 2/28/2019

Portfolio Summary - Month-to-Date	Total Portfolio	Large-Cap Equity	Small-Cap Equity	Total Domestic Equity	Fixed Income	Intl Mutual Fund
Beginning Market Value:	10,316,007.15	-	-	-	10,316,007.15	-
Net Contributions (Distributions):	-	-	-	-	-	-
Income:	19,020.72	-	-	-	19,020.72	-
Market Appreciation (Depreciation):	(17,880.03)	-	-	-	(17,880.03)	-
Ending Market Value:	10,317,147.84	-	-	-	10,317,147.84	-
<b>Dollar-Weighted Return:</b>	<b>0.01%</b>	-	-	-	<b>0.01%</b>	-

Time-Weighted Returns	Total Portfolio	Large-Cap Equity	Small-Cap Equity	Total Domestic Equity	Fixed Income	Intl Mutual Fund			
<i>Performance Start Date:</i>	2/7/2012	N/A	N/A	N/A	2/7/2012	N/A			
		<i>Ex Cash</i>	<i>Ex Cash</i>	<i>Ex Cash</i>	<i>Ex Cash</i>				
<b>MTD</b>	<b>Gross</b>	<b>0.01%</b>	-	-	-	-	<b>0.01%</b>	<b>0.01%</b>	-
	<i>Benchmark</i>	<i>(0.06%)</i>	-	-	-	-	<i>(0.06%)</i>	<i>(0.06%)</i>	-
	<b>Value Added (Gross)</b>	<b>0.07%</b>	-	-	-	-	<b>0.07%</b>	<b>0.07%</b>	-
<b>QTD</b>	<b>Gross</b>	<b>1.20%</b>	-	-	-	-	<b>1.20%</b>	<b>1.22%</b>	-
	<i>Benchmark</i>	<i>1.00%</i>	-	-	-	-	<i>1.00%</i>	<i>1.00%</i>	-
	<b>Value Added (Gross)</b>	<b>0.20%</b>	-	-	-	-	<b>0.20%</b>	<b>0.22%</b>	-
<b>YTD</b>	<b>Gross</b>	<b>1.20%</b>	-	-	-	-	<b>1.20%</b>	<b>1.22%</b>	-
	<i>Benchmark</i>	<i>1.00%</i>	-	-	-	-	<i>1.00%</i>	<i>1.00%</i>	-
	<b>Value Added (Gross)</b>	<b>0.20%</b>	-	-	-	-	<b>0.20%</b>	<b>0.22%</b>	-
<b>1 Year</b>	<b>Gross</b>	<b>3.54%</b>	-	-	-	-	<b>3.54%</b>	<b>3.52%</b>	-
	<i>Benchmark</i>	<i>3.17%</i>	-	-	-	-	<i>3.17%</i>	<i>3.17%</i>	-
	<b>Value Added (Gross)</b>	<b>0.37%</b>	-	-	-	-	<b>0.37%</b>	<b>0.35%</b>	-
<b>3 Year</b>	<b>Gross</b>	<b>2.04%</b>	-	-	-	-	<b>2.04%</b>	<b>2.05%</b>	-
	<i>Benchmark</i>	<i>1.69%</i>	-	-	-	-	<i>1.69%</i>	<i>1.69%</i>	-
	<b>Value Added (Gross)</b>	<b>0.35%</b>	-	-	-	-	<b>0.35%</b>	<b>0.36%</b>	-
<b>5 Year</b>	<b>Gross</b>	<b>2.78%</b>	-	-	-	-	<b>2.78%</b>	<b>2.82%</b>	-
	<i>Benchmark</i>	<i>2.32%</i>	-	-	-	-	<i>2.32%</i>	<i>2.32%</i>	-
	<b>Value Added (Gross)</b>	<b>0.46%</b>	-	-	-	-	<b>0.46%</b>	<b>0.50%</b>	-
<b>ITD</b>	<b>Gross</b>	<b>2.57%</b>	-	-	-	-	<b>2.57%</b>	<b>2.63%</b>	-
	<i>Benchmark</i>	<i>2.12%</i>	-	-	-	-	<i>2.12%</i>	<i>2.12%</i>	-
	<b>Value Added (Gross)</b>	<b>0.45%</b>	-	-	-	-	<b>0.45%</b>	<b>0.51%</b>	-

# DODGE & COX FUNDS

## Total Rates of Return For Periods Ending February 28, 2019

	1 Mo. Ended	3 Mos. Ended	Year-to- Date	Annualized				
				1 Year	3 Years	5 Years	10 Years	20 Years
Dodge & Cox Stock Fund*	1.86%	-1.27%	10.53%	1.12%	16.80%	8.98%	17.15%	9.48%
Dodge & Cox Global Stock Fund*	1.76%	.74%	10.34%	-4.17%	14.84%	5.85%	15.54%	N.A.
Dodge & Cox International Stock Fund*	2.00%	3.23%	10.68%	-9.84%	11.45%	1.27%	11.48%	N.A.
Dodge & Cox Balanced Fund*	1.36%	.10%	7.38%	1.81%	12.21%	6.99%	13.74%	8.29%
Dodge & Cox Income Fund*	.45%	3.03%	1.96%	2.77%	3.84%	2.81%	5.30%	5.23%
Dodge & Cox Global Bond Fund*†	.86%	4.34%	3.42%	1.83%	6.87%	2.33%	N.A.	N.A.
<u>Comparative Indices</u>								
S&P 500 Index	3.21%	1.42%	11.48%	4.68%	15.28%	10.67%	16.67%	6.15%
MSCI World Index	3.01%	2.58%	11.02%	.43%	12.64%	6.53%	13.05%	N.A.
MSCI EAFE Index	2.55%	3.98%	9.29%	-6.04%	9.32%	2.07%	9.56%	N.A.
Combined Index	1.90%	2.21%	7.24%	4.40%	9.84%	7.44%	11.57%	5.85%
Bloomberg Barclays U.S. Aggregate Bond Index	-.06%	2.86%	1.00%	3.17%	1.69%	2.32%	3.71%	4.66%
Bloomberg Barclays Global Aggregate Bond Index	-.58%	2.98%	.94%	-.57%	1.97%	.78%	N.A.	N.A.

\* SEC Standardized Total Returns as of 12/31/18:

Dodge & Cox Stock Fund: 1 Year -7.08%; 5 Years 7.05%; 10 Years 13.17%  
Dodge & Cox Global Stock Fund: 1 Year -12.65%; 5 Years 4.10%; 10 Years 11.45%  
Dodge & Cox International Stock Fund: 1 Year -17.98%; 5 Years -0.48%; 10 Years 7.72%  
Dodge & Cox Balanced Fund: 1 Year -4.61%; 5 Years 5.77%; 10 Years 11.04%  
Dodge & Cox Income Fund: 1 Year -0.31%; 5 Years 2.87%; 10 Years 5.01%  
Dodge & Cox Global Bond Fund†: 1 Year -1.45%; 5 Years 2.03%; Since Inception 12/05/12 2.13%

† 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](http://www.dodgeandcox.com) or call 800-621-3979. Please read the prospectus and summary prospectus carefully before investing.

Record Date March 25, 2019  
 Ex-Dividend Date and Reinvestment Date March 26, 2019  
 Payable Date March 27, 2019

Fund	Income Dividend	Short-Term Capital Gain	Long-Term Capital Gain	Total
<b>Stock Fund</b> Ticker: DODGX CUSIP: 256219106	\$0.960	\$0.226	\$5.929	<b>\$7.115</b>
<b>Global Stock Fund</b> Ticker: DODWX CUSIP: 256206202	NONE	NONE	NONE	<b>NONE</b>
<b>International Stock Fund</b> Ticker: DODFX CUSIP: 256206103	NONE	NONE	NONE	<b>NONE</b>
<b>Balanced Fund</b> Ticker: DODBX CUSIP: 256201104	\$0.620	NONE	\$2.281	<b>\$2.901</b>
<b>Income Fund</b> Ticker: DODIX CUSIP: 256210105	\$0.110	NONE	NONE	<b>\$0.110</b>
<b>Global Bond Fund</b> Ticker: DODLX CUSIP: 256206301	NONE	NONE	NONE	<b>NONE</b>

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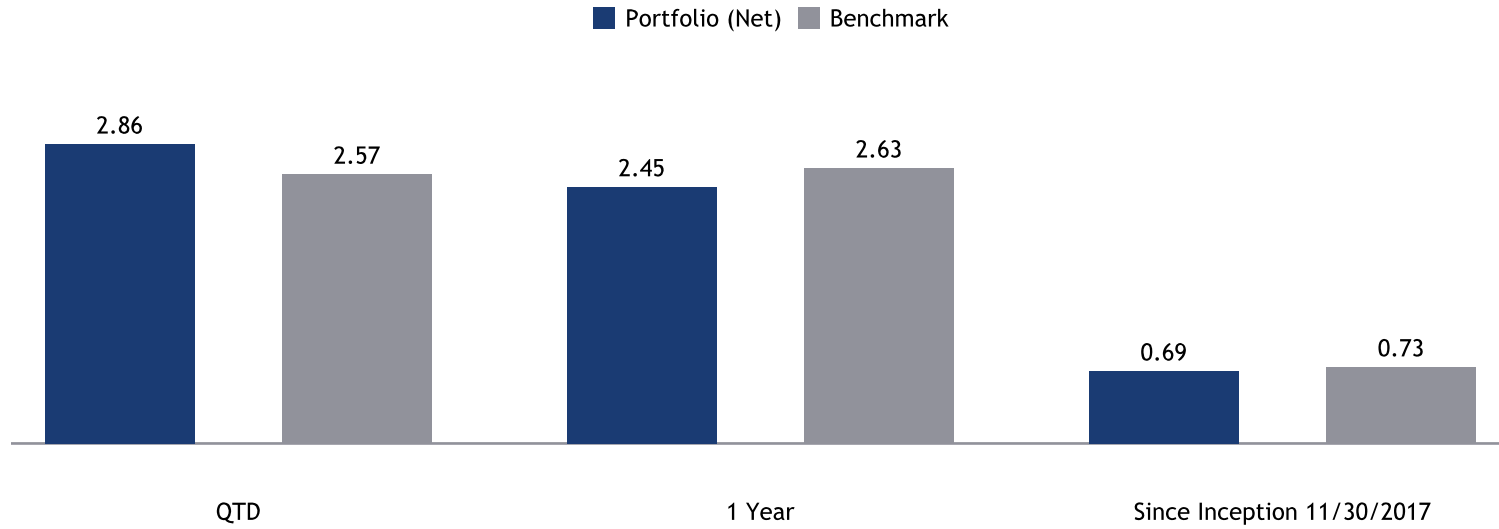
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# performance

## TRAILING RETURNS AS OF 2/28/2019 (%)



### PORTFOLIO VALUATION (USD)

	Portfolio 12/31/2018	Portfolio 2/28/2019	Increase/Decrease
Total	4,921,548	4,062,789	-858,760

Data Source: Barclays Capital

Benchmarks: BBG B-ARC U.S. Corporate Investment Grade (11/30/2017 - 2/28/2019).

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



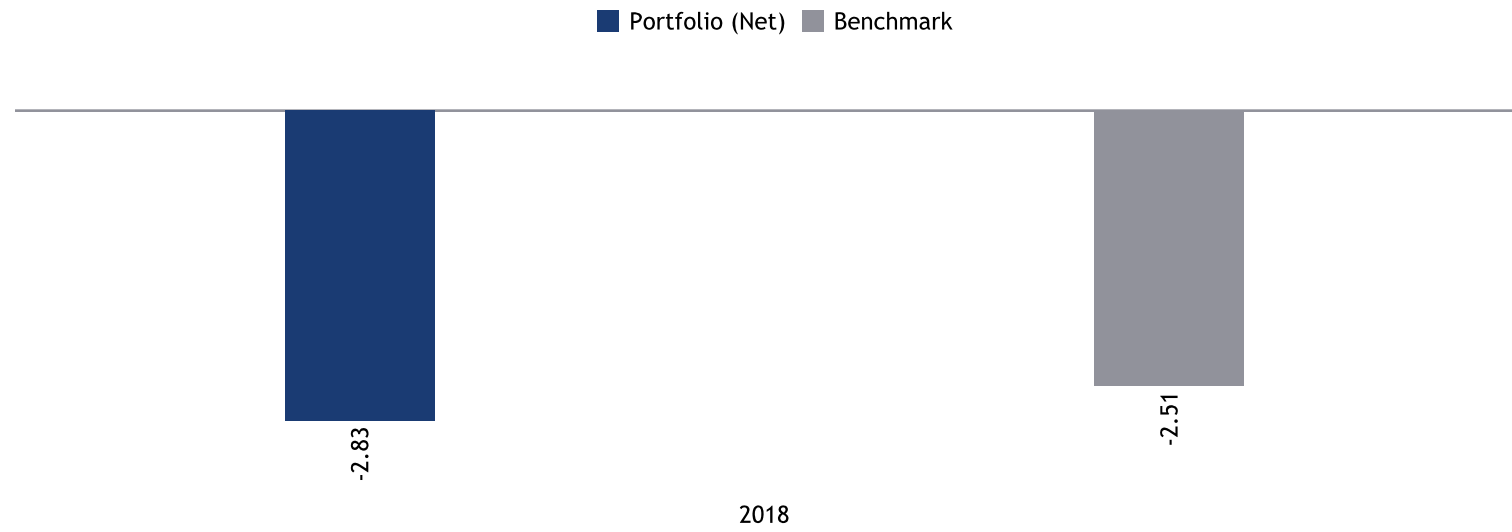
Sources: Loomis, Sayles & Company, L.P. and others

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February 28, 2019

# performance

## CALENDAR YEAR RETURNS AS OF 2/28/2019 (%)



Data Source: Barclays Capital  
Benchmarks: BBG B.ARC U.S. Corporate Investment Grade (11/30/2017 - 2/28/2019).  
The current benchmark is Bloomberg Barclays Corporate Index. Returns over one year are annualized. Information is reported on a trade date basis.

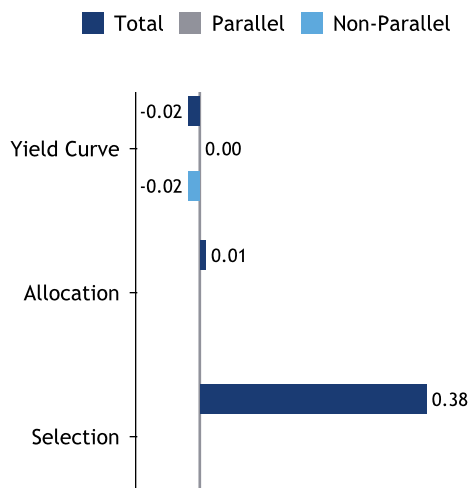
# performance attribution by sector

12/31/2018 TO 2/28/2019 (%)

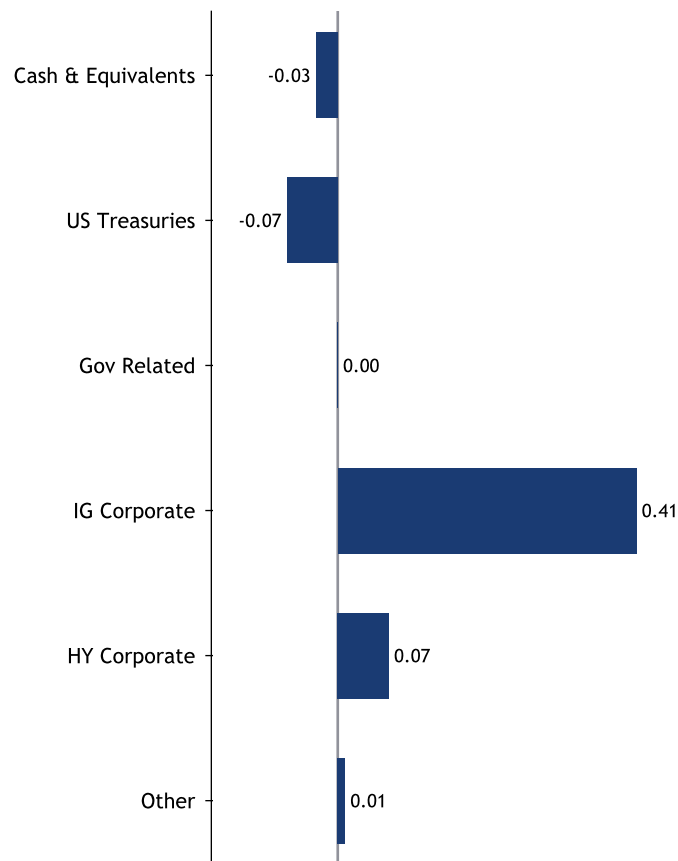
## TOTAL RETURNS

	Total Return
Portfolio Return	2.92
Benchmark Return	2.57
Excess Return	0.35

## 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.

# portfolio summary

12/31/2018 TO 2/28/2019

## PORTFOLIO SUMMARY

	12/31/2018			2/28/2019		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference
Yield to Worst (%)	4.52	4.19	0.33	4.01	3.90	0.11
Maturity (years)	11.28	10.67	0.61	10.51	10.67	-0.16
Effective Duration (years)	7.17	7.12	0.06	7.29	7.21	0.08
Coupon (%)	4.00	4.00	0.00	4.07	4.03	0.04
Average Quality	A3	A3	-	A3	A3	-
OAS (bps)	173	150	23	126	118	8

## QUALITY SUMMARY (% OF TOTAL MARKET VALUE)

	12/31/2018			2/28/2019		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference
AAA	6.77	2.24	4.54	4.59	2.20	2.39
AA	10.73	16.69	-5.96	11.80	16.55	-4.75
A	41.35	44.88	-3.53	42.49	45.32	-2.83
BAA	40.69	36.11	4.58	40.66	35.91	4.74
BA	0.45	0.08	0.37	0.47	0.01	0.45

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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February 28, 2019



# Bay County Voluntary Employees' Beneficiary Association Trust

## Growth Equity



28 February 2019

Performance results (%) gross and net of fees (USD)	Portfolio			Excess returns
	Gross of fees	Net of fees	Benchmark <sup>^</sup>	Net vs benchmark
February 2019	4.84	4.79	3.58	1.21
2019 YTD	13.83	13.72	12.89	0.83
1 year	9.38	8.76	6.62	2.14
3 year	19.11	18.43	17.99	0.44
Since client inception (30-Dec-15)	14.79	14.14	14.20	-0.06

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.**

<sup>^</sup> Russell 1000<sup>®</sup> Growth Index

Characteristics	Portfolio	Benchmark <sup>^^</sup>
<b>Fundamentals - weighted average</b>		
IBES long-term EPS growth <sup>1</sup>	17.6%	16.9%
Price/earnings (12 months forward)	25.2x	20.8x
<b>Market capitalization</b>		
Market capitalization (USD) <sup>2</sup>	253.4 bn	267.2 bn
<b>Diversification</b>		
Top ten holdings	41%	33%
Number of holdings	79	544
<b>Turnover</b>		
Trailing 1 year turnover <sup>3</sup>	16%	-
<b>Risk/reward (3 year)</b>		
Beta vs benchmark	0.98	-
<b>Risk/reward (since inception)</b>		
Historical tracking error <sup>4</sup>	3.21%	-

<sup>1</sup> Source: Ibbotson

<sup>2</sup> Weighted average.

<sup>3</sup> (Lesser of Purchase or Sales)/Average Month End Market Value

<sup>4</sup> Since inception, based on first full month of performance.

**No forecasts can be guaranteed.**

Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ.

<sup>^^</sup> Russell 1000<sup>®</sup> Growth Index

Asset summary (USD)	
Beginning value as of 31-Jan-19	9,915,044
Contributions	0
Withdrawals	0
Change in market value	+479,950
Ending value as of 28-Feb-19	10,394,993

Top 10 issuers	Sector	% of Portfolio
VISA INC	Information Technology	7.7
MICROSOFT CORP	Information Technology	6.5
ALPHABET INC	Communication Services	6.3
AMAZON.COM INC (EQ)	Consumer Discretionary	5.8
ADOBE INC	Information Technology	4.4
SALESFORCE.COM INC	Information Technology	2.8
THERMO FISHER SCIENTIFIC INC	Health Care	2.7
FACEBOOK INC	Communication Services	2.7
NETFLIX INC	Communication Services	2.3
FISERV INC	Information Technology	2.3

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### FOR MORE INFORMATION CONTACT

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**Thomas Shanley,**  
 Client Service Manager  
 Phone: 617-954-7492 • tshanley@mfs.com

# Bay County Voluntary Employees' Beneficiary Association Trust

Growth Equity



Sectors (%)	Portfolio	Benchmark^^
Information Technology	34.5	32.3
Communication Services	16.6	12.0
Health Care	15.5	13.5
Consumer Discretionary	12.9	14.9
Industrials	7.3	12.4
Financials	4.3	4.5
Consumer Staples	3.8	5.6
Materials	2.6	1.8
Energy	0.7	0.7
Real Estate	-	2.3

1.8% Cash & cash equivalents

^^ Russell 1000® Growth Index

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**Thomas Shanley,**  
Client Service Manager  
Phone: 617-954-7492 • tshanley@mfs.com

**Bay County Voluntary Employees' Beneficiary Association Trust**  
**Growth Equity**  
**Report as of 28 February 2019**

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

<b>Period</b>	<b>Portfolio gross</b>	<b>Portfolio net</b>	<b>Benchmark<sup>^</sup></b>	<b>Excess<sup>^^</sup></b>
February	4.84	4.79	3.58	1.21
January	8.57	8.52	8.99	-0.47
2019 YTD	13.83	13.72	12.89	0.83
1 year	9.38	8.76	6.62	2.14
3 year	19.11	18.43	17.99	0.44
Since client inception (30-Dec-15)	14.79	14.14	14.20	-0.06

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.**

<sup>^</sup> Russell 1000® Growth Index

<sup>^^</sup> Excess return net vs benchmark (%)

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31016

**Bay County Voluntary Employees' Beneficiary Association Trust - Growth Equity**
**BYS**
**Valuation Summary**
**28-Feb-19**
**Portfolio Currency: USD**

	<b>Cost</b>	<b>Market Value</b>	<b>Accrued Income</b>	<b>Total Value</b>	<b>Total Value</b>
<b>OPENING CASH AS OF 1/31/2019</b>	139,388.25	139,388.25	0.00	139,388.25	1.41 %
<b>CLOSING CASH AS OF 2/28/2019</b>	179,476.14	179,476.14	0.00	179,476.14	1.73 %
<b>COMMON STOCK</b>	6,833,627.64	10,137,842.22	7,416.23	10,145,258.45	97.60 %
<b>ADR</b>	62,303.14	70,258.85	0.00	70,258.85	.68 %
	<b>7,075,406.92</b>	<b>10,387,577.21</b>	<b>7,416.23</b>	<b>10,394,993.44</b>	<b>100.00 %</b>
<b>Accrued Income:</b>		<b>7,416.23</b>			
<b>Total Value:</b>		<b>10,394,993.44</b>			

This report contains trade date position values, calculated by MFS. This is not the official book of record for the account. Cash is a net cash balance comprised of cash on deposit, and payables and receivables that have not settled.

**Bay County Voluntary Employees' Beneficiary Association Trust - Growth Equity**
**BYS**
**Valuation Summary by Country**
**28-Feb-19**
**Portfolio Currency: USD**

Issuer Country	Cost	Market Value	Accrued Income	Total Value	Total Value
<b>CASH</b>					
United States of America	179,476.14	179,476.14	0.00	179,476.14	1.73%
	<b>179,476.14</b>	<b>179,476.14</b>	<b>0.00</b>	<b>179,476.14</b>	<b>1.73%</b>
<b>COMMON STOCK</b>					
Canada	60,556.11	93,122.48	0.00	93,122.48	0.90%
United States of America	6,773,071.53	10,044,719.74	7,416.23	10,052,135.97	96.70%
	<b>6,833,627.64</b>	<b>10,137,842.22</b>	<b>7,416.23</b>	<b>10,145,258.45</b>	<b>97.60%</b>
<b>ADR</b>					
China	43,632.09	42,645.99	0.00	42,645.99	0.41%
France	18,671.05	27,612.86	0.00	27,612.86	0.27%
	<b>62,303.14</b>	<b>70,258.85</b>	<b>0.00</b>	<b>70,258.85</b>	<b>0.68%</b>
<b>Portfolio Totals:</b>	<b>7,075,406.92</b>	<b>10,387,577.21</b>	<b>7,416.23</b>	<b>10,394,993.44</b>	<b>100.00%</b>
Accrued Income:		<b>7,416.23</b>			
Total Value:		<b>10,394,993.44</b>			

This report contains trade date position values, calculated by MFS. This is not the official book of record for the account. Cash is a net cash balance comprised of cash on deposit, and payables and receivables that have not settled.



**Bay County Employees' VEBA**

CAPIS Account: 10250

Settlement Month Ending: 2/28/2019

**Summary of Activity by Month**

	Commission		Recapture Allocation		Redeemed Recapture		Balance
	Month	YTD	Month	YTD	Month	YTD	
<b>Beginning Balance</b>							<b>\$ 0.00</b>
January	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
February	.00	.00	.00	.00	.00	.00	.00

**BAY COUNTY VEBA TRUST  
SECURITIES LOAN STATEMENT  
February 2019  
Account Officer : DANIEL BERD**

<b>TOTAL EARNINGS</b>	<b>\$434.28</b>
<b>LESS TOTAL REBATE</b>	<b>\$387.32</b>
<b>TOTAL GROSS</b>	<b>\$46.96</b>
<b>LESS BANK FEE</b>	<b>\$11.50</b>
<b>TOTAL NET EARNINGS</b>	<b>\$35.46</b>





# CLIENT EARNINGS REPORT

For the Period  
2/1/2019 To 2/28/2019

## BAY COUNTY VEBA TRUST

Sec ID	Open Date	Description	Quantity	Contract Price	Contract Value	Date	Reb/Prem Rate	Mny Mkt Rate	Reb/Prem Due	Earnings Due		
										Total Earnings	3.37	
										Less Total Rebate	2.34	
Sett Code	Coll Code	Broker		DTC ID	Loan ID	Closed Date	Less Bank Fee at	25.000			0.24	
FBE	USD	Citigroup Global Markets Inc.		505	112954	03/05/2019	Net Earnings				0.79	
<b>Account : 1055082344</b>												
											<b>Total Earnings</b>	<b>118.39</b>
											<b>Less Total Rebate</b>	<b>111.48</b>
											<b>Total Gross</b>	<b>6.91</b>
											<b>Less Bank Fee at 25</b>	<b>1.68</b>
											<b>Net Earnings</b>	<b>5.23</b>

## Detailed Earnings Summary

<b>Total Earnings :</b>	<b>\$434.28</b>
<b>Total Rebate Expense :</b>	<b>\$387.32</b>
<b>Total Gross :</b>	<b>\$46.96</b>
<b>Total Bank Fees :</b>	<b>\$11.50</b>
<b>Total Net Earnings :</b>	<b>\$35.46</b>

## 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%
<b>Total RA FUND BALANCE, NET AS</b>	<b>3,204,320.00</b>	<b>-</b>	<b>3,204,320.00</b>	<b>-</b>	<b>-</b>	<b>3,204,320.00</b>	<b>0%</b>
ER CONTR-BEHAVE.HEALTH	-	-	-	-	-	-	0%
ER CONTR-MOSQUITO CONT	(12,245.00)	-	(12,245.00)	(3,468.06)	-	(8,776.94)	-
ER CONTR-HEALTH FUND	(68,228.00)	-	(68,228.00)	(15,244.20)	-	(52,983.80)	22%
ER CONTR-ROAD COMMISS.	(360,000.00)	-	(360,000.00)	(30,000.00)	-	(330,000.00)	8%
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)	(104,883.52)	-	(306,520.48)	25%
ER CONTR-DWS	(90,000.00)	-	(90,000.00)	(31,181.96)	-	(58,818.04)	35%
ER CONTR-911 SERVICE	(45,637.00)	-	(45,637.00)	(10,162.80)	-	(35,474.20)	22%
ER CONTR-CHILD CARE	(44,198.00)	-	(44,198.00)	(9,315.90)	-	(34,882.10)	21%
ER CONTR-DIV ON AGING	(46,432.00)	-	(46,432.00)	(10,445.10)	-	(35,986.90)	22%
ER CONTR-RETIRE SYSTEM	(2,227.00)	-	(2,227.00)	-	-	(2,227.00)	0%
ER CONTR-GYPSY MOTH	(2,581.00)	-	(2,581.00)	(1,006.08)	-	(1,574.92)	39%
ER CONTR-HOME REHABIL.	-	-	-	-	-	-	0%
ER CONTR-100% TAX PYMT	(3,338.00)	-	(3,338.00)	(817.01)	-	(2,520.99)	24%
ER CONTR-MED CARE FAC.	(485,934.00)	-	(485,934.00)	-	-	(485,934.00)	0%
ER CONTR-SELF INSURANC	(483.00)	-	(483.00)	(1,321.14)	-	838.14	274%
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)	(846.90)	-	(4,776.10)	15%
ER CONTR-SOLDIER RELIE	-	-	-	-	-	-	0%
ER CONTRIB-LOCAL CFO TR	(602.00)	-	(602.00)	(41.30)	-	(560.70)	7%
ER CONTRIB-CONC PISTOL	(536.00)	-	(536.00)	(253.68)	-	(282.32)	47%
ER CONTR-MIDC FUND	-	-	-	(141.15)	-	141.15	0%
ER CONTR-SHERIFF DEPT	(174,208.00)	-	(174,208.00)	(41,356.95)	-	(132,851.05)	24%
<b>Total RJ LOCAL UNIT CONTRIBUT</b>	<b>(1,835,033.00)</b>	<b>-</b>	<b>(1,835,033.00)</b>	<b>(260,485.75)</b>	<b>-</b>	<b>(1,574,547.25)</b>	<b>14%</b>
INVESTMENT INTEREST/DIVIDENDS	(500,000.00)	-	(500,000.00)	(8,785.14)	-	(491,214.86)	2%
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)	(70.36)	-	(217.64)	24%
<b>Total RP INTEREST &amp; RENTALS</b>	<b>(2,000,288.00)</b>	<b>-</b>	<b>(2,000,288.00)</b>	<b>(8,855.50)</b>	<b>-</b>	<b>(1,991,432.50)</b>	<b>0%</b>
MISCELLANEOUS REVENUES	-	-	-	-	-	-	0%
COMMISSION RECAPTURE	(5,000.00)	-	(5,000.00)	(478.44)	-	(4,521.56)	10%

## 2019 VEBA YTD BUDGET REPORT

ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
<b>Total RR OTHER REVENUE</b>	<b>(5,000.00)</b>	-	<b>(5,000.00)</b>	<b>(478.44)</b>	-	<b>(4,521.56)</b>	<b>10%</b>
TRANSFERS IN FROM GENERAL FUND	-	-	-	-	-	-	0%
<b>TOTAL OTHER FINANCING SOURCE</b>	<b>-</b>	-	<b>-</b>	<b>-</b>	-	<b>-</b>	<b>0%</b>
PER DIEM	360.00	-	360.00	-	-	360.00	0%
<b>Total XE WAGES &amp; SALARIES</b>	<b>360.00</b>	-	<b>360.00</b>	<b>-</b>	-	<b>360.00</b>	<b>0%</b>
OFFICE SUPPLIES	100.00	-	100.00	-	-	100.00	0%
PRINTING AND BINDING	150.00	-	150.00	-	-	150.00	0%
POSTAGE	70.00	-	70.00	1.00	-	69.00	1%
COMPUTER SUPPLIES	50.00	-	50.00	-	-	50.00	0%
<b>Total XI SUPPLIES</b>	<b>370.00</b>	-	<b>370.00</b>	<b>1.00</b>	-	<b>369.00</b>	<b>0%</b>
PROFESSIONAL SERVICES	130,000.00	-	130,000.00	-	-	130,000.00	0%
ACTUARIAL SERVICES	45,000.00	-	45,000.00	41,000.00	-	4,000.00	91%
INVESTMENT/BANK SERVICE CHARGE	10,000.00	-	10,000.00	1,750.00	-	8,250.00	18%
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	1,488.00	-	4,464.00	25%
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%
<b>Total XL OTHER SERVICES AND C</b>	<b>635,271.00</b>	-	<b>635,271.00</b>	<b>48,238.00</b>	-	<b>587,033.00</b>	<b>8%</b>
<b>Revenue Total</b>	<b>(636,001.00)</b>	-	<b>(636,001.00)</b>	<b>(269,819.69)</b>			
<b>Expense Total</b>	<b>636,001.00</b>	-	<b>636,001.00</b>	<b>48,239.00</b>			
<b>Grand Total</b>	<b>-</b>	-	<b>-</b>	<b>(221,580.69)</b>			

**VEBA**

**Invoices Approved:**

**Mar-19**

Invoice Date	Vendor	Amount	Description
03/0/2019	GABRIEL ROEDER SMITH	\$ 41,000.00	VEBA VALUATION FOR 2017



**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

March 19, 2019

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

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

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

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 \$9,182,478.74+ as directed on Friday, March 22, 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>
1055082353	BAYCNTY-DODGECOX	USD	\$ 500,000.00	P
1055082335	BAYCNTY-MFSEQUITY	USD	\$ 1,300,000.00	P
1055082362	BAYCNTY-LORDABBET	USD	\$ 7,382,478.74+	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	\$ 9,182,478.74+	P

Thank you for your attention to this matter.

Sincerely,

Jan Histed  
 Bay County Finance Officer/Secretary

cc: Kathleen Zanotti



**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

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Sandy Shutt  
Shawna Walraven

March 19, 2019

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

Mr. Christopher Rooney, CFA  
MFS Investment Management  
111 Huntington Avenue  
Boston, MA 02199-7618

Dear Mr. Rooney:

There is a need for the Bay County Voluntary Employees' Beneficiary Association to rebalance its asset allocation therefore, I am requesting that MFS Investment Management divest themselves of \$1,300,000.00 (one million three hundred thousand dollars) and make funds available for Comerica on Friday, March 22, 2019.

If you have any questions or concerns regarding the above, please contact me at (989) 895-2007.

Sincerely,

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

Jan M. Histed  
Bay County Finance Officer

c: Bay County Employees' Retirement System Board of Trustees  
Peter Brown, And Co Consulting  
Daniel Berd, Comerica Bank  
Kathleen Zanotti, Retirement Administrator









# Comerica Bank Collective Fund, Mutual Fund and ETF Order Form

We request that mutual fund trade instructions be received by Comerica Bank two business days before the desired date of the trade, but no later than 12:00 p.m. Eastern Time on the day of the trade.

## Account Information

<b>Account Name</b>	Bay County Voluntary Employees Beneficiary Association
<b>Account Number</b>	1055082148
<b>Requestor Name</b>	Jan Histed
<b>Phone Number</b>	(989) 895-4038

## Special Instructions

*(If Applicable)*

- If there is a corresponding disbursement or wire, the desired date of the wire should be noted in the special instructions along with corresponding wire instructions.
- If cash is not available on the purchase date by 12:00 p.m. Eastern Time, Comerica Bank reserves the right to initiate the trade the following business day once the funds are available.

<b>Special / Transfer Instructions</b>	Please sell Lord Abbett entire position, current value as of 3/18/19 was \$7,382,478.74
<b>Wire Instructions</b> <i>(If Applicable)</i>	<p><b>Bank Name:</b></p> <p><b>ABA Routing Number:</b></p> <p><b>FC:</b></p> <p><b>FC#:</b></p> <p><b>FFC:</b></p> <p><b>FFC#:</b></p> <p><b>Special Handling:</b></p>

Authorized Signer: Jan M. Histed Authorized Signer: \_\_\_\_\_  
 Date: 3/19/2019 Date: \_\_\_\_\_





# Comerica Bank Collective Fund, Mutual Fund and ETF Order Form

We request that mutual fund trade instructions be received by Comerica Bank two business days before the desired date of the trade, but no later than 12:00 p.m. Eastern Time on the day of the trade.

### Account Information

<b>Account Name</b>	Bay County Voluntary Employees Beneficiary Association
<b>Account Number</b>	1055082148
<b>Requestor Name</b>	Jan Histed
<b>Phone Number</b>	(989) 895-4038

### Special Instructions

*(If Applicable)*

- If there is a corresponding disbursement or wire, the desired date of the wire should be noted in the special instructions along with corresponding wire instructions.
- If cash is not available on the purchase date by 12:00 p.m. Eastern Time, Comerica Bank reserves the right to initiate the trade the following business day once the funds are available.

<b>Special / Transfer Instructions</b>	On Tuesday, March 26, 2019, please transfer \$2,800,000 from the VEBA-Cash account 1055082148 and create a new account for Dimensional Fund Advisors Fund.
<b>Wire Instructions</b> <i>(If Applicable)</i>	<p><b>Bank Name:</b></p> <p><b>ABA Routing Number:</b></p> <p><b>FC:</b></p> <p><b>FC#:</b></p> <p><b>FFC:</b></p> <p><b>FFC#:</b></p> <p><b>Special Handling:</b></p>

Authorized Signer: Jan M. Histed Authorized Signer: \_\_\_\_\_  
 Date: 3/25/2019 Date: \_\_\_\_\_





# Comerica Bank Collective Fund, Mutual Fund and ETF Order Form

We request that mutual fund trade instructions be received by Comerica Bank two business days before the desired date of the trade, but no later than 12:00 p.m. Eastern Time on the day of the trade.

## Account Information

<b>Account Name</b>	Bay County Voluntary Employees Beneficiary Association
<b>Account Number</b>	1055082148
<b>Requestor Name</b>	Jan Histed
<b>Phone Number</b>	(989) 895-4038

## Special Instructions

*(If Applicable)*

- If there is a corresponding disbursement or wire, the desired date of the wire should be noted in the special instructions along with corresponding wire instructions.
- If cash is not available on the purchase date by 12:00 p.m. Eastern Time, Comerica Bank reserves the right to initiate the trade the following business day once the funds are available.

<b>Special / Transfer Instructions</b>	On Tuesday, March 26, 2019, please transfer \$6,800,000 from the VEBA-Cash account 1055082148 and create a new account for Clarkston Capital Partners Fund.
<b>Wire Instructions</b> <i>(If Applicable)</i>	<p style="text-align: center;"><b>Bank Name:</b> <b>ABA Routing Number:</b></p> <p style="text-align: center;"><b>FC:</b> <b>FC#:</b></p> <p style="text-align: center;"><b>FFC:</b> <b>FFC#:</b></p> <p style="text-align: center;"><b>Special Handling:</b></p>

Authorized Signer: Jan M. Histed Authorized Signer: \_\_\_\_\_  
 Date: 3/25/2019 Date: \_\_\_\_\_

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
POLITICAL CONTRIBUTION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133e  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I Service Provider Information**

Company Name: AndCo Consulting, LLC  
Address: 4901 Vineland Road, Suite 600  
City: Orlando State: FL Zip: 32811

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

**II Reporting Period**

From: 1/1/18 To: 12/31/18

**III Compliance Certification**

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.

YES  NO

*Matthew DeConcini*  
Signature

3/5/19  
Date

Matthew DeConcini  
Printed Name

CCO  
Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
COMPENSATION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133(7)

This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

I. Investment Service Provider Information

Company Name: Capital Institutional Services Inc  
Address: 1700 Pacific Ave Suite 1100  
City: Dallas State: TX Zip: 75201

The undersigned, being duly authorized to execute, on behalf of the aforementioned company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy.

J. Paul Christian  
Signature  
JASON D. CHRISTIAN  
Printed Name

3/16/18  
Date  
GEN. COUNSEL  
Title

II. Reporting Period

From: 1/1/2017 To: 12/31/2017

III. Compensation Disclosure (All fees/compensation associated with your relationship to the VEBA)

A. Direct Compensation (Compensation paid directly from the Plan)

Amount: \_\_\_\_\_  
Manner of Receipt (invoice, direct deduction, etc): \_\_\_\_\_

B. Indirect Compensation (Compensation associated with your relationship to the VEBA received from any source other than the Plan, your affiliates or subcontractors)

Amount: \_\_\_\_\_  
Payer: \_\_\_\_\_  
Manner of Receipt: \_\_\_\_\_  
Services to which such compensation relates: \_\_\_\_\_

C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g. commissions, 12b-1 fees, soft-dollars, finders' fees, or other similar incentive compensation)

Amount: \_\_\_\_\_  
Payer: \_\_\_\_\_  
Recipient: \_\_\_\_\_

D. Total  
Amount: \$0.00

\*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)



BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
POLITICAL CONTRIBUTION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133c

This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

I Service Provider Information

Company Name: Capital Institutional Services Inc.  
Address: 1700 Pacific Ave Suite 1100  
City: Dallas State: TX Zip: 75201

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

II Reporting Period

From: 1/1/2017 To: 12/31/2017

III Compliance Certification

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

J. Paul Ch...  
Signature

3/16/18  
Date

JASON D. CHRISTIAN  
Printed Name

GEN. COUNSEL  
Title

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.

YES  NO

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
**POLITICAL CONTRIBUTION DISCLOSURE FORM**

Completion required pursuant to MCL 38.1133e  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I Service Provider Information**

Company Name: COMERICA  
Address: 411 W. LAFAYETTE BLVD  
City: DETROIT State: MI Zip: 48226

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

**II Reporting Period**

From: 1/1/19 To: 12/31/19

**III Compliance Certification**

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

Daniel A. Berd

Signature

DANIEL A. BERD  
Printed Name

3/29/19

Date

VICE PRESIDENT  
Title

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.  YES  NO

Signature

Printed Name

Date

Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

COMPENSATION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133(7)

This form must be submitted to the Board of Trustees no later than 28 days following its receipt by the Service Provider.

I. Investment Service Provider Information

Company Name: COMERICA
Address: 411 W. LAFAYETTE BLVD.
City: DETROIT State: MI Zip: 48226

The undersigned, being duly authorized to execute, on behalf of the aforementioned company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy.

Signature: Daniel A. Berd

Printed Name: DANIEL A. BERD

Date: 3/29/19

Title: VICE PRESIDENT

II. Reporting Period

From: 1/1/19

To: 12/31/19

III. Compensation Disclosure (All fees/compensation associated with your relationship to the VEBA)

\* SEE ATTACHED \*

A. Direct Compensation (Compensation paid directly from the Plan)

Amount:
Manner of Receipt (invoice, direct deduction, etc):

B. Indirect Compensation (Compensation associated with your relationship to the VEBA received from any source other than the Plan, your affiliates or subcontractors)

Amount:
Payer:
Manner of Receipt:
Services to which such compensation relates:

C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g. commissions, 12b-1 fees, soft-dollars, finders' fees, or other similar incentive compensation)

Amount:
Payer:
Recipient:

D. Total

Amount:

\*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965)



# Form 5500, Schedule C Report

411 W. Lafayette Ave.  
Detroit, MI 48226  
EIN # 42-1741646

Relationship: BAY COUNTY VEBA

Relationship Manager: DAN BERD

EIN: 11-6572845

Plan Number: 002

Plan Year End: 12/31

Plan Period: 1/1/2018 - 12/31/2018

Service Code	Classification	Compensation		How Reported
		Direct	Indirect	
18	Custodial (other than securities)	\$17.08		Actual
19	Custodial (securities)	\$7,017.00		Actual
49	Other Services	\$74.69 *	X **	Actual*;Formula**
59	Shareholder Servicing Fees		X	Formula
62	Float Revenue		X	Formula
72	Other Investment Fees & Expenses		\$1,699.87	Actual

50

Other direct compensation: Payments made from the plan to third parties are listed in the annual trust statement as disbursements.

Additionally, we have provided an overview and explanation of direct and indirect compensation, as it applies to Schedule C, for your review.

We hereby certify that, to the best of our knowledge and belief, the information contained herein, furnished pursuant to 29CFR 2520.103-5(c), is accurate and complete according to our records of the plan.

## 2018 Form 5500, Schedule C

### Overview

Comerica is providing this information packet to assist you in preparing Form 5500, Schedule C for the 2018 plan year. Schedule C requirements call for service providers, such as Comerica, to provide additional information on the fees and expenses we have received from your plan or paid on behalf of the plan. This packet provides information on the compensation that Comerica Bank and its affiliates (collectively, "Comerica") receive in connection with services rendered to your employee benefit plan.

Reportable fees and expenses fall into two categories: direct compensation and indirect compensation. Direct compensation, in general, includes payments made directly by the plan for services rendered to the plan. Indirect compensation is compensation for services rendered that is not received directly from the plan. Examples of indirect compensation are fees received from mutual funds, collective investment funds or other pooled investment vehicles in which fees are charged against the fund (not the employee benefit plan) and reflected in the net asset value or NAV of the fund. Such expenses might include the fees of the fund's investment manager, shareholder servicing fees, and 12b-1 distribution fees.

Comerica has elected to report eligible indirect compensation using the alternative reporting option. Accordingly, Comerica advises you that, with respect to the 2018 plan year:

- (a) Indirect compensation was paid by or on behalf of the plan;
- (b) The services provided or the purposes for payment of indirect compensation are noted below;
- (c) The amount (or estimate) of the indirect compensation or formula used to calculate indirect compensation is noted below; and
- (d) The party or parties paying or receiving the compensation are noted below.

The attached letter indicates the total trustee, custodial, investment management and other administrative expenses of the plan. The letter indicates whether each category of expenses is direct or indirect compensation and also notes whether we are reporting to you the actual fees or the formula or method used to calculate the fees.

### Direct Compensation

Direct compensation includes payments made directly by the plan for services rendered to the plan. These might include, for example, trustee or custodian fees that you direct us to charge to the plan account. Investment management fees for which you receive an invoice and that are charged to the plan are also direct compensation. Note that you may pay investment management fees for Comerica collective investment funds and common trust funds. Another example would be attorneys' or accountants' fees that you direct us to pay from the plan account.

Direct compensation that the plan pays to Comerica via a charge to the plan account or that you direct us to pay to another service provider are reflected on the annual and periodic account statements that we provide to you.

Note that fees paid by the plan sponsor are not reportable on Schedule C, because they are not paid by the plan.

Direct compensation paid to Comerica for plan-related banking products or services outside of Comerica Trust are included on the banking statements provided to the plan.

### Direct Securities Lending

Some plans engage in "direct" securities lending in which a plan lends securities held in an account(s) to qualified borrowers. A portion of the revenue generated by lending the securities is used to pay the expenses of the securities lending program. The amounts paid to Comerica for its services in administering the direct securities lending program are disclosed in our Schedule C cover letter. These payments should be reported as direct compensation.

### Class Actions

Comerica may file claims in class action lawsuits that involve securities held in a plan account. The fee for these filings is \$10, which is charged at the time proceeds are paid.

## **Indirect Compensation**

### Collective Investment and Common Trust Funds

Comerica Bank & Trust, National Association acts as trustee of various collective investment funds and common trust funds in which certain employee benefit plans may invest. Each of these funds is governed by a declaration of trust which allows certain administrative expenses to be charged to the fund. Except as noted below, Comerica pays service providers to the funds and such expenses are not charged against the fund assets.

Certain of the Comerica collective investment funds and common trust funds participate in Comerica's securities lending program to generate additional income. Under that program, some of the portfolio securities of the collective investment fund or common trust fund are loaned to qualified institutional borrowers. When a fund engages in securities lending, a monthly fee of up to 40% will be deducted from the loan income. This fee is paid to Comerica. Comerica retains a portion of the income as its fee for administering the program and pays any other expenses incurred in operating the securities lending program from its portion of the income.

Some fund administration expenses are not paid by Comerica, and are charged to the fund. These include the charges for the annual audit and preparation of the Form 5500 for each fund. Certain funds pay an index licensing expense, tax preparation, and/or expenses associated with foreign tax reclaims.

If your plan is invested in one of the Comerica funds and you do not receive an invoice for investment management services from Comerica, your plan is paying "fund level" fees. These fees are calculated daily and reduce the NAV or net asset value of the fund. Your plan's share of these fees is based on the ratio of your plan's average daily balance in the fund to the total assets in the fund. Fund level fees are an indirect expense.

### Cash Sweep

Comerica calculates sweep fees or fund level fees on a 360-day basis on cash equivalent vehicles. The cash equivalent yields reported on your statement are as of the last business day of the statement period and are gross of Comerica's fee. The fees for this service are based on the plan's average daily cash balance multiplied by the basis point rate shown on the Schedule C cover letter.

### Shareholder Servicing Fees

Comerica may be paid by non-proprietary mutual funds, including money market funds for performing services for such funds.

#### ADR and Foreign Ordinary Tax Reclaims

Comerica's global subcustodian files for foreign tax reclaims on behalf of accounts that hold foreign ordinary securities. Any tax reclaims received are posted to the appropriate accounts when received. The cost of processing foreign ordinary tax reclaims is included in your global custody fees. Comerica offers access to an outside vendor for ADR tax reclaim processing. If you elect to utilize this service, tax reclaims are posted in the gross amount, and the vendor's fee is charged to the account separately. A fee is charged annually by the IRS for providing documentation necessary for both ADR and foreign ordinary tax reclaims.

#### Foreign Exchange Transactions

Comerica's agent for global custody may charge a spread on foreign exchange transactions, which is reflected in the price you receive on the transaction.

#### Float

Comerica uses a general disbursement checking account to issue disbursements other than benefit payments from the plan. This is a non-interest-bearing account from which Comerica may receive float. Float is earned at the Fed Funds rate, as published in the Wall Street Journal or on the website of the Federal Reserve Board. Comerica may begin earning float once the funds are transferred from the plan account to the general disbursement checking account. Comerica receives float on such funds until the check is presented to us for payment or the funds are disposed of pursuant to an unclaimed checks procedure. Disbursements paid by direct deposit do not earn float. Comerica uses an independent third-party vendor to issue benefit payments. That vendor may earn float on the benefit payments that it issues in a similar manner to that described above.

See the next page for a list of Schedule C codes that may apply to your plan.

## Schedule C Codes

In the cover letter to this report, we have listed the Schedule C codes that we believe to be appropriate for the various services we provide. Listed below are Schedule C codes and the types of services/fees we have included under each code.

<u>Code</u>	<u>Schedule C Code Description</u>	<u>Comerica Services/Fees</u>
18	Custodial (other than securities)	ADR Tax Reclaim Processing Fee
19	Custodial (securities)	Account Fee Base/Administrative Fee Market Value Fee Special Asset Fee Clearwater Market Value Fee Global Custody Fee Plan Accounting Portfolio Monitoring Performance Measurement Fund Unitization Fee Activity Fee Wire Transfer Fee Lump Sum Distributions Benefit Payments
21	Trustee	Trustee Fee
28	Investment Management	Investment Management Fee
37	Loan Processing	Loan Processing
38	Communication Services	Enrollment Materials
49	Other Services	Securities Lending
59	Shareholder Servicing Fees	Money Market Services Fee
60	Sub-Transfer Agency Fees	Mutual Fund Service Fee
62	Float Revenue	Float
64	Recordkeeping Services	Recordkeeping Fee
72	Other Investment Fees & Expenses	Cash Sweep
99	Other Fees	Class Action Fee



## Fee Disclosure Statement

**C.S. McKee, L.P. (EIN 25-1900687)**

**Client:** Bay County VEBA [CLIENT]

**Period:** January 01, 2018 thru December 31, 2018

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This document provides an overview of the compensation received by C.S. McKee, L.P. [McKee] as a service provider for your plan to satisfy reporting requirements under local, state and/or federal regulatory authorities.

### **Direct Compensation for Separately Managed Account**

McKee directly billed your plan for the following fees in arrears:

<u>Billing Date</u>	<u>Invoice ID</u>	<u>Amount</u>	<u>Billing Period</u>
04/10/2018	35580	\$12,310.53	01/01/2018 - 03/31/2018
07/09/2018	35973	\$12,311.47	04/01/2018 - 06/30/2018
10/08/2018	36382	\$12,344.41	07/01/2018 - 09/30/2018
01/14/2019	36763	\$12,517.57	10/01/2018 - 12/31/2018

### **Indirect Compensation**

#### ***Mutual Funds/Collective Trusts***

*(None for period specified)*

#### ***Soft Dollar Credits for Separately Managed Account***

If soft dollar credits were generated during the period under Section 28(e) of the Securities Exchange Act of 1934 as a result of trading in your separately managed account, they will be shown below.

*(None for period specified)*

#### ***Gifts and Other Non-Monetary Compensation***

From time to time, the providers of various products and services used by McKee for its investment management clients may provide McKee and its personnel with *de minimis* non-monetary gifts and gratuities, such as promotional items (i.e. coffee mugs, calendars or gift baskets), meals and access to certain industry related conferences (collectively, "gifts"). Based on historic trends, McKee does not expect to receive gifts in excess of the *de minimis* threshold under regulatory rules with respect to your plan.

McKee certifies under perjury that the information contained above is a full, complete, and accurate description of all compensation received as a result of its relationship with the Client.

If you require additional information, please contact our Chief Compliance Officer, Ulf Skreppen at 412.566.1234 or [uskreppen@csmckee.com](mailto:uskreppen@csmckee.com).

C.S. McKee, L.P.  
Ulf Skreppen - Chief Compliance Officer  
February 20, 2019

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
POLITICAL CONTRIBUTION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133e  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I Service Provider Information**

Company Name: CS McKee, LP  
Address: 420 Ft. Duquesne Blvd  
City: Pittsburgh State: PA Zip: 15222

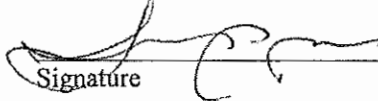
The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

**II Reporting Period**

From: 1/1/18 To: 12/31/18

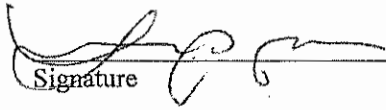
**III Compliance Certification**

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

  
Signature  
Len Boss  
Printed Name

2/20/19  
Date  
Operations Manager  
Title

The aforementioned Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.  YES  NO

  
Signature  
\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date  
\_\_\_\_\_  
Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
**COMPENSATION DISCLOSURE FORM**

Completion required pursuant to MCL 38.1133(7)  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I. Investment Service Provider Information**

Company Name: See previous page  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

The undersigned, being duly authorized to execute, on behalf of the aforementioned company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy.

Signature:  Date: \_\_\_\_\_  
Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

**II. Reporting Period**

From: 1/1/18 To: 12/31/18

**III. Compensation Disclosure (All fees/compensation associated with your relationship to the VEBA)**

- A. Direct Compensation (Compensation paid directly from the Plan)**  
Amount: \$49,483.98  
Manner of Receipt (invoice, direct deduction, etc): Invoice
  
- B. Indirect Compensation (Compensation associated with your relationship to the VEBA received from any source other than the Plan, your affiliates or subcontractors)**  
Amount: N/A  
Payer: \_\_\_\_\_  
Manner of Receipt: \_\_\_\_\_  
Services to which such compensation relates: \_\_\_\_\_
  
- C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g. commissions, 12b-1 fees, soft-dollars, finders' fees, or other similar incentive compensation)**  
Amount: N/A  
Payer: \_\_\_\_\_  
Recipient: \_\_\_\_\_
  
- D. Total**  
Amount: \$49,483.98

\*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

# DODGE & COX

Investment Managers

March 8, 2019

Ms. Jan Histed  
Finance Officer/Secretary  
Bay County Employees' Retirement System  
Bay County Building  
515 Center Avenue  
Bay City, Michigan 48708-5128

Dear Ms. Histed:

In response to your letter dated February 6, 2019 regarding Service Provider Disclosures, please find attached signed copies of the Political Contribution Disclosure Form and the Compensation Disclosure Form. As a courtesy to you, we have provided information with respect to investment management fees paid by the Stock Fund to Dodge & Cox on your form.

Per previous correspondence, we wish to reiterate that the Bay County Employees' Retirement System is not a client of Dodge & Cox and that we receive no compensation from it. However, as the investment manager to the Dodge & Cox Stock Fund (in which the Bay County Employees' Retirement System is an investor), Dodge & Cox receives a 52 basis point per annum fee to provide investment management services. Please refer to the Dodge & Cox Funds Prospectus and Statement of Additional Information for more information about the Stock Fund, its expenses, and its brokerage practices.

We hope this information satisfies the regulatory requirements to which you are subject.

Sincerely,



Katherine M. Primas  
Chief Compliance Officer

ESTABLISHED 1930

555 California Street / 40th Floor / San Francisco, California 94104 / 415-981-1710

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
**POLITICAL CONTRIBUTION DISCLOSURE FORM**

Completion required pursuant to MCL 38.1133e  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I Service Provider Information**

Company Name: Dodge & Cox  
Address: 555 California St., 40<sup>th</sup> Floor  
City: San Francisco State: CA Zip: 94104

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

**II Reporting Period**

From: 1/1/2018 To: 12/31/2018

**III Compliance Certification**

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

\_\_\_\_\_  
Signature Date  
\_\_\_\_\_  
Printed Name Title

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.  YES  NO

Katherine M. Primas 3.8.19  
Signature Date  
Katherine M. Primas Chief Compliance Officer  
Printed Name Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

COMPENSATION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133(7)

This form must be submitted to the Board of Trustees no later than 28 days following its receipt by the Service Provider.

I. Investment Service Provider Information

Company Name: Dodge & Cox
Address: 555 California St., 40th Floor
City: San Francisco State: CA Zip: 94104

The undersigned, being duly authorized to execute, on behalf of the aforementioned company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy.

Handwritten signature of Katherine M. Primas

3.8.19
Date

Katherine M. Primas
Printed Name

Chief Compliance Officer
Title

II. Reporting Period

From: 1/1/2018 To: 12/31/2018

III. Compensation Disclosure (All fees/compensation associated with your relationship to the VEBA)

A. Direct Compensation (Compensation paid directly from the Plan)

Amount: N/A
Manner of Receipt (invoice, direct deduction, etc):

B. Indirect Compensation (Compensation associated with your relationship to the VEBA received from any source other than the Plan, your affiliates or subcontractors)

Amount: 52bps per annum applied to the amount of the Bay County Employers Payer: Fund's investment in the Dodge & Cox Stock Fund.
Manner of Receipt:
Services to which such compensation relates: Investment Management Services

C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g. commissions, 12b-1 fees, soft-dollars, finders' fees, or other similar incentive compensation)

Amount:
Payer:
Recipient:

D. Total

Amount: See above

\*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965)



February 22, 2019

Ms. Jan Histed  
Finance Officer/Secretary  
Bay County Employees' Retirement System  
Bay County Building  
515 Center Avenue  
Bay City, Michigan 48708-5128

**Re: Michigan Public Act 314 Disclosures**

Dear Ms. Histed:

Enclosed please find the requested completed disclosure form pursuant to the February 6, 2019 letter, in particular, the Political Contribution Disclosure Form. We did not complete the (Investment Service Provider) Compensation Disclosure Form, since we are not an investment service provider.

This form has also been e-mailed to you in pdf format.

If you have any questions regarding this information or need anything else, please let us know.

Sincerely,

A handwritten signature in cursive script that reads "James D. Anderson".

James D. Anderson, FSA, EA, FCA, MAAA

A handwritten signature in cursive script that reads "Shana M. Neeson".

Shana M. Neeson, ASA, FCA, MAAA

JDA/SMN:ah  
Enclosure

cc: Shawna Walraven, Assistant Corporation Counsel  
Kathleen Meeth, Retirement Administrator/Accountant

**STATE OF MICHIGAN PA 314 DISCLOSURE**  
**Gabriel, Roeder, Smith & Company**

**POLITICAL CONTRIBUTION DISCLOSURE FORM**

Completion required pursuant to MCL 38.1133e

**This form must be submitted to the Retirement Commission  
28 days following its receipt by the Service Provider.**

**I. Service Provider Information**

Company Name Gabriel, Roeder, Smith & Company  
Address: One Towne Square, Suite 800  
City: Southfield State: Michigan Zip: 48076

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the Retirement System's Service Provider Disclosure Policy.

**II. Reporting Period**

From: 01/01/2019 To: 12/31/2019

**III. Compliance Certification**

**The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1965, as amended (MCL 38.1133e) as of the date indicated below.**



\_\_\_\_\_  
Signature  
  
Christine Scheer  
Printed Name

01/17/19  
Date  
  
\_\_\_\_\_  
Secretary  
Title



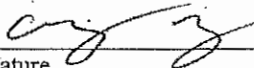
BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
COMPENSATION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133(7)  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I. Investment Service Provider Information**

Company Name: Loomis, Sings & Company, L.P.  
Address: One Financial Center  
City: Boston State: MA Zip: 02111

The undersigned, being duly authorized to execute, on behalf of the aforementioned company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy.

  
Signature

3/2/19  
Date

Albert Wong  
Printed Name

Client Portfolio Analyst  
Title

**II. Reporting Period**

From: 1/8/2018

To: 12/31/2018

**III. Compensation Disclosure (All fees/compensation associated with your relationship to the VEBA)**

*Please see Form 5500 letter.*

**A. Direct Compensation (Compensation paid directly from the Plan)**

Amount: \_\_\_\_\_  
Manner of Receipt (invoice, direct deduction, etc): \_\_\_\_\_

**B. Indirect Compensation (Compensation associated with your relationship to the VEBA received from any source other than the Plan, your affiliates or subcontractors)**

Amount: \_\_\_\_\_  
Payer: \_\_\_\_\_  
Manner of Receipt: \_\_\_\_\_  
Services to which such compensation relates: \_\_\_\_\_

**C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g. commissions, 12b-1 fees, soft-dollars, finders' fees, or other similar incentive compensation)**

Amount: \_\_\_\_\_  
Payer: \_\_\_\_\_  
Recipient: \_\_\_\_\_

**D. Total**

Amount: \_\_\_\_\_

\*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
POLITICAL CONTRIBUTION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133e  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

I Service Provider Information

Company Name: Loomis, Sayles & Company, L.P.  
Address: One Financial Center  
City: Boston State: MA Zip: 02111

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

II Reporting Period

From: 1/1/2018 To: 12/31/2018

III Compliance Certification

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

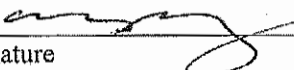
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.  YES  NO

  
Signature

3/8/19  
Date

Albert Wong  
Printed Name

Client Portfolio Analyst  
Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)



March 8, 2019

Jan Histed  
Bay County Employees' Retirement System  
515 Center Avenue, Suite 706  
Bay City, MI 48708

**Re: Bay County Employees Retirement System Form 5500 Schedule C Reporting  
Bay County Voluntary Employees' Beneficiary Association Form 5500 Schedule C Reporting**

Dear Jan:

During the period 1/1/2018 through 12/31/2018, Loomis, Sayles & Company, L.P. received \$120,079.35 in direct compensation in the form of management fees paid by the plan as a result of investment advisory services provided to the Bay County Employees' Retirement System account.

The service code for direct compensation is 51.

Loomis Sayles & Company received no indirect compensation as a result of services provided to the plan.

For reporting purposes, the Loomis, Sayles & Company, L.P. EIN is 04-3200030. Loomis Sayles is located at One Financial Center, Boston, MA 02111.

During the period 1/1/2018 through 12/31/2018, Loomis, Sayles & Company, L.P. received \$14,452.85 in direct compensation in the form of management fees paid by the plan as a result of investment advisory services provided to the Bay County VEBA account.

The service code for direct compensation is 51.

Loomis Sayles & Company received no indirect compensation as a result of services provided to the plan.

The Loomis Sayles Trust Company (LSTC) tax ID is 20-8080381. The tax ID for the trust vehicle (NHIT: IG Corporate Bond) is 94-6796254.

Please do not hesitate to contact me with any questions you may have.

Sincerely,

A handwritten signature in black ink that reads 'Albert Wong'.

Albert Wong  
Client Portfolio Analyst

One Financial Center  
Boston, MA 02111  
617.482.2450

[www.loomissayles.com](http://www.loomissayles.com)

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
POLITICAL CONTRIBUTION DISCLOSURE FORM

Completion required pursuant to MCL 38.1133e

This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

I Service Provider Information

Company Name: Lord, Abbett & CO. LLC  
Address: 90 Hudson St  
City: Jersey City State: NJ Zip: 07013

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

II Reporting Period

From: January 1, 2018 To: December 31, 2018

III Compliance Certification

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

Signature \_\_\_\_\_

Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.  YES  NO

Joseph M. McGill  
Signature \_\_\_\_\_

3/1/19  
Date \_\_\_\_\_

Joseph M. McGill  
Printed Name \_\_\_\_\_

Chief Compliance Officer  
Title \_\_\_\_\_

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)



LORD ABBETT

## MEMORANDUM

February 27, 2019

To: **Bay County Voluntary Employees' Beneficiary Association**  
Fr: **Lord, Abbett & Co. LLC**  
Re: **Form 5500/SCHEDULE C DISCLOSURES ASSOCIATED WITH LORD ABBETT FAMILY OF FUNDS**

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This memorandum is in response to your inquiry requesting information relating to one or more Lord Abbett mutual funds that are made available as investment options to retirement or other employee benefit plans serviced by your firm ("**Plan Clients**"). This memorandum is intended to identify disclosures and other information that may be relevant to Plan Clients that are required to complete and file Form 5500 and Schedule C thereto ("**Schedule C**") under Sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 and Sections 6047(e) and 6058(a) of the Internal Revenue Code.

### IDENTIFYING INFORMATION

For the convenience of Plan Clients, attached as Exhibit A is a document identifying the CUSIP and Employee Identification Number ("**EIN**") of each of the investment companies comprising the Lord Abbett Family of Funds (each a "**Fund**," and collectively, "**Funds**"). Additional information relevant to the Funds and certain Fund service providers is as follows:

- **Funds' Investment Adviser:** Lord, Abbett & Co. LLC (the "**Adviser**"); EIN: 13-5620131
- **Funds' Distributor:** Lord Abbett Distributor LLC (the "**Distributor**"); EIN: 13-3897544
- **Funds' Transfer Agent:** DST Systems, Inc. (the "**Transfer Agent**")
- **Address of the Funds, Adviser, and Distributor:** 90 Hudson Street, Jersey City, NJ 07302
- **Lord Abbett Contact Person:** Scott S. Wallner, Esq., Assistant General Counsel

### REPORTABLE COMPENSATION

The following describes relevant disclosures relating to various forms of "reportable compensation" under Schedule C paid by the Funds to certain Fund service providers. For your information and convenience, underlying disclosure documents, such as the Funds' prospectuses ("**Prospectuses**"), statements of additional information ("**SAIs**"), reports to shareholders ("**Shareholder Reports**") and the Adviser's Form ADV, may be accessed and downloaded at [www.lordabbett.com](http://www.lordabbett.com).

- **Management Fees:** Management fees paid to the Adviser are described in the Prospectuses under "Fees and Expenses" and "Management and Organization of the Fund – Management Fee," as well as in the SAIs under "Investment Advisory and Other Services – Investment Adviser."

- **Rule 12b-1 Fees:** Rule 12b-1 Fees paid to the Distributor, including distribution and shareholder service fees, are described in the Prospectuses under “Fees and Expenses” and “Financial Intermediary Compensation,” as well as in the SAIs under “Classes of Shares – Rule 12b-1 Plan” and “Investment Advisory and Other Services.”
- **Sales Charges:** Sales charges received by the Distributor in connection with the sale of Fund shares by Plan Clients are described in the Prospectuses under “Fees and Expenses,” “Choosing a Share Class,” “Sales Charges,” and “Sales Charge Reductions and Waivers,” as well as in the SAIs under “Classes of Shares” and “Purchases, Redemptions, Pricing and Payments to Dealers.”
- **Transfer Agency Fees:** Information regarding fees paid to the Transfer Agent is provided in the SAIs under “Investment Advisory and Other Services – Transfer Agent,” and in the Shareholder Reports.
- **Soft Dollars:** In accordance with Section 28(e) of the Securities Exchange Act of 1934, as amended, the Adviser may select broker-dealers that furnish the Adviser with proprietary and third party brokerage and research services (“**Research Services**”) in connection with commissions paid on transactions it places for client accounts to the extent the Adviser believes that the commissions paid are reasonable in relation to the value of the services received. The Adviser does not attempt to allocate to any particular client account the relative costs or benefits of Research Services received from a broker-dealer. Rather, the Adviser believes that any Research Services received from a broker-dealer are, in the aggregate, of assistance to the Adviser in fulfilling its overall responsibilities to its client accounts. Further information regarding the Adviser’s use of Research Services is provided in the Prospectuses under the “Brokerage Commissions Paid to Independent Broker-Dealer Firms,” and the SAIs under “Brokerage Allocations and other Practices – Administrative Services,” as well as in Part II of the Adviser’s Form ADV.

\* \* \*

This memorandum is not intended as a substitute for the obligation of any party that has a direct relationship with Plan Clients to provide Plan Clients with information to complete Schedule C. In particular, while this memorandum includes information regarding the calculation of Rule 12b-1 fees and sales charges, we do not intend for this information to supersede the obligation of any broker-dealer or other intermediary that receives compensation in connection with the sale of Fund shares to Plan Clients to provide Schedule C information. We also remind you to consider any obligation you may have as a retirement plan administrator to confirm at least annually that Schedule C disclosure information continues to be correct. (See “Frequently Asked Questions about the 2009 Form 5500 Schedule C,” U.S. Department of Labor, July 2008).

If you have any questions regarding the foregoing, or otherwise, please call Scott S. Wallner at 201.827.2425.

Thank you very much for your continued support.

*Attachment*

ACCOUNT LEGAL NAME	CUSIP Class A	CUSIP Class C	CUSIP Class F	CUSIP Class F3	CUSIP Class I	CUSIP Class P	CUSIP Class R2	CUSIP Class R3	CUSIP Class R4	CUSIP Class R5	CUSIP Class R6	CUSIP Class VC	FUND EIN
Lord Abbett Affiliated Fund, Inc	544001100	544001308	544001605	544001845	544001506	544001407	544001704	544001803	544001886	544001878	544001860		13-6020600
Lord Abbett Bond-Debtenture Fund, Inc.	544004104	544004302	544004609	544004849	544004401	544004500	544004708	544004807	544004880	544004872	544004864		13-2669319
Lord Abbett Calibrated Dividend Growth Fund	543913859	543913834	543913792	543913560			543913784	543913776	543913636	543913628	543913610		22-3842531
Lord Abbett Core Plus Bond Fund	54401E572	54401E564	54401E556	54401E242	54401E549		54401E531	54401E523	54401E515	54401E499	54401E481		47-5304837
Lord Abbett Corporate Bond Fund	54401X851	54401X844	54401X836	54401X828	54401X810		54401X794	54401X786	54401X778	54401X760	54401X752		81-5421692
Lord Abbett Credit Opportunities Fund					54400C105								83-2197986
Lord Abbett Developing Growth Fund, Inc.	544006109	544006307	544006604	544006844	544006505	544006406	544006703	544006802	544006885	544006877	544006869		13-2755091
Lord Abbett Emerging Markets Bond Fund	543908867	543908842	543908876	543908420	543908826		543908768	543908750	543908578	543908560	543908552		13-3460111
Lord Abbett Emerging Markets Corporate Debt Fund	543908677	543908669	543908651	543908438	543908644		543908636	543908628	543908511	543908495	543908487		46-3477094
Lord Abbett Focused Growth Fund	543915243	543915235	543915227	543915219	543915193		543915185	543915177	543915169	543915151	543915144		83-2689554
Lord Abbett Global Bond Fund	543908388	543908370	543908362	543908354	543908347			543908321	543908313	543908297	543908289		82-5414675
Lord Abbett Global Equity Research Fund	54400A654	54400A647	54400A639	54400A381	54400A621		54400A613	54400A597	54400A589	54400A571	54400A563		81-4035426
Lord Abbett Global Fund Inc. - Lord Abbett Multi-Asset Global Opportunity Fund	543908107	543908404	543908818	543908396	543908883		543908792	543908784	543908610	543908594	543908586		13-3460109
Lord Abbett Global Select Equity Fund	54400A373	54400A365	54400A340	54400A332	54400A324		54400A290	54400A282	54400A274	54400A266	54400A258		82-5406413
Lord Abbett Intermediate Tax Free Fund	543912604	543912802	543912794	543902498	543902647								56-2352920
Lord Abbett Investment Trust - Lord Abbett Convertible Fund	543916753	543916738	543916498	54401E267	543916712	543916720	543916480	543916472	54401E846	54401E838	54401E820		56-2352928
Lord Abbett Investment Trust - Lord Abbett Core Fixed Income Fund	543916878	543916852	543916431	54401E259	543916803	543916811	543916423	543916415	54401E812	54401E796	54401E788		13-3978645
Lord Abbett Investment Trust - Lord Abbett Floating Rate Fund	543916191	543916175	543916167	54401E226	543916134		543916159	543916142	54401E770	54401E762	54401E754		26-1539133
Lord Abbett Investment Trust - Lord Abbett High Yield Fund	54400N102	54400N300	54400N508	54401E218	54400N409	543916761	54400N607	54400N706	54401E747	54401E739	54401E721		13-4033082
Lord Abbett Investment Trust - Lord Abbett Inflation Focused Fund	54400U205	54400U304	54400U403	54401E184	54400U502		54400U601	54400U700	54401E671	54401E663	54401E655		45-1554636
Lord Abbett Investment Trust - Lord Abbett Multi-Asset Income Fund	543916662	543916647	543916290	54401E150	543916621		543916282	543916274	54401E705	54401E804	54401E887		20-2933946
Lord Abbett Investment Trust - Lord Abbett Multi-Asset Balanced Opportunity Fund	543916209	543916605	543916332	54401E176	543916696	543916779	543916324	543916316	54401E408	54401E507	54401E606		13-3799450
Lord Abbett Investment Trust - Lord Abbett Multi-Asset Growth Fund	543916613	543916589	543916266	54401E168	543916563		543916258	543916241	54401E879	54401E861	54401E853		71-0983159
Lord Abbett Investment Trust - Lord Abbett Total Return Fund	543916845	543916829	543916399	54401E135	54400U106	543916795	543916381	543916373	54401E614	54401E598	54401E580		13-4035307
Lord Abbett Investment Trust - Lord Abbett U.S. Government & Government Sponsored Enterprises Fund	543916308	543916506	543916365	54401E192	543916670		543916357	543916340	54401E713	54401E697	54401E689		13-6020601
Lord Abbett Mid Cap Stock Fund, Inc.	543919104	543919302	543919609	543919849	543919500	543919401	543919708	543919807	543919880	543919872	543919864		13-3166900
Lord Abbett Municipal Income Fund, Inc. - Lord Abbett AMF Free Municipal Bond Fund	543902720	543902712	543902696	543902530	543902688								27-3580888

ACCOUNT LEGAL NAME	CUSIP Class A	CUSIP Class C	CUSIP Class F	CUSIP Class F3	CUSIP Class F3	CUSIP Class P	CUSIP Class R2	CUSIP Class R3	CUSIP Class R4	CUSIP Class R5	CUSIP Class R6	CUSIP Class VC	FUNDO EIN
Lord Abbett Municipal Income Fund, Inc. - Lord Abbett California Tax-Free Income Fund	543902852	543902845	543902811	543902522	543902670								13-3271131
Lord Abbett Municipal Income Fund, Inc. - Lord Abbett National Tax-Free Income Fund	543902100	543902860	543902761	543902480	543902829								13-3397836
Lord Abbett Municipal Income Fund, Inc. - Lord Abbett New Jersey Tax-Free Income Fund	543902407		543902753	543902472	543902652								13-3603812
Lord Abbett Municipal Income Fund, Inc. - Lord Abbett New York Tax-Free Income Fund	543902209	543902837	543902746	543902464	543902654								13-3386492
Lord Abbett Municipal Income Trust - Lord Abbett High Yield Municipal Bond Fund	543912877	543912851	543912810	543902514	543912836								76-0770388
Lord Abbett Municipal Income Trust - Lord Abbett Short Duration Tax Free Fund	543912778	543912752	543912745	543902449	543912737								26-3796837
Lord Abbett Research Fund, Inc. - Lord Abbett Growth Opportunities Fund	54400R103	54400R301	54400R608	543913552	54400R400	54400R509	54400R707	54400R806	543913693	543913685	543913677		13-3842507
Lord Abbett Research Fund, Inc. - Small-Cap Value Series	543913305	543913701	543913735	543913545	543913800	543913867	543913727	543913719	543913669	543913651	543913644		13-3862601
Lord Abbett Securities Trust - Lord Abbett Alpha Strategy Fund	543915763	543915748	543915532	54400A464	543915581		543915524	543915516	54400A885	54400A878	54400A860		13-3980756
Lord Abbett Securities Trust - Lord Abbett Fundamental Equity Fund	543915862	543915807	543915565	54400A456	543915714	543915722	543915557	543915540	54400A852	54400A845	54400A837		13-3731505
Lord Abbett Securities Trust - Lord Abbett Growth Leaders Fund	543915326	543915318	543915292	54400A449	543915284		543915276	543915268	54400A829	54400A811	54400A795		45-2447491
Lord Abbett Securities Trust - Lord Abbett International Equity Fund	543915649	543915623	543915490	54400A431	543915599	543915615	543915482	543915474	54400A753	54400A746	54400A738		200242156
Lord Abbett Securities Trust - Lord Abbett International Opportunities Fund	543915854	543915839	543915466	54400A415	543915813	543915730	543915458	543915441	54400A688	54400A670	54400A662		13-3919488
Lord Abbett Securities Trust - Lord Abbett International Value Fund	543915391	543915375	543915367	54400A423	543915359		543915342	543915334	54400A720	54400A712	54400A696		26-2524171
Lord Abbett Securities Trust - Lord Abbett Micro-Cap Growth Fund					54400V104								13-4035311
Lord Abbett Securities Trust - Lord Abbett Micro-Cap Value Fund					54400W102								13-4035310
Lord Abbett Securities Trust - Lord Abbett Value Opportunities Fund	54400A100	54400A308	54400A605	54400A399	54400A506	54400A407	54400A704	54400A803	54400A787	54400A779	54400A761		20-3767040
Lord Abbett Series Fund, Inc. - Bond-Debenture Portfolio												543910608	22-3840132
Lord Abbett Series Fund, Inc. - Classic Stock Portfolio												543910863	202508362
Lord Abbett Series Fund, Inc. - Developing Growth Portfolio												543910855	27-2248298
Lord Abbett Series Fund, Inc. - Fundamental Equity Portfolio												543910806	02-0680835
Lord Abbett Series Fund, Inc. - Growth Opportunities Portfolio												543910889	02-0680846
Lord Abbett Series Fund, Inc. - Growth and Income Portfolio												543910103	13-3536969
Lord Abbett Series Fund, Inc. - International Equity Portfolio												543910822	27-2082362
Lord Abbett Series Fund, Inc. - International Opportunities Portfolio												543910509	13-4076918
Lord Abbett Series Fund, Inc. - Mid Cap Stock Portfolio												543910400	13-4076917
Lord Abbett Series Fund, Inc. - Total Return Portfolio												543910848	27-2248423
Lord Abbett Series Fund, Inc. - Short Duration Income Portfolio												543910814	46-5218594
Lord Abbett Series Fund-Calibrated Dividend Growth Portfolio												543910871	02-0680939
Lord Abbett Short Duration Core Bond Fund	54401X109	54401X208	54401X307	54401X406	54401X505		54401X604	54401X703	54401X802	54401X885	54401X877		81-5444225
Lord Abbett Short Duration High Yield Municipal Bond Fund	543912729	543912711	543912695	543902456	543912687								47-3898396
Lord Abbett Short Duration Income Fund	543916100	543916704	543916464	54401E143	543916688		543916456	543916449	54401E648	54401E630	54401E622		13-3731507
Lord Abbett U.S. Government & Government Sponsored Enterprises Money Market Fund, Inc.	543918106	543918205			543918403								13-2986729
Lord Abbett Ultra Short Bond Fund	54401E473		54401E465	54401E127	54401E457					54401E440	54401E432		81-3527376



**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
COMPENSATION DISCLOSURE FORM**

Completion required pursuant to MCL 38.1133(7)  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I. Investment Service Provider Information**

Company Name: MFS Institutional Advisors, Inc. ("MFSI")  
Address: 111 Huntington Avenue  
City: Boston State: MA Zip: 02199

The undersigned, being duly authorized to execute, on behalf of the aforementioned company, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy.

*Carol Geremia*  
Signature

03/11/19  
Date

Carol Geremia  
Printed Name

President  
Title

**II. Reporting Period**

From: January 1, 2018

To: December 31, 2018

**III. Compensation Disclosure (All fees/compensation associated with your relationship to the VEBA)**

**A. Direct Compensation (Compensation paid directly from the Plan)**

Amount: \$55,652.43

Manner of Receipt (invoice, direct deduction, etc): \_\_\_\_\_

Although MFSI is aware that Bay County Voluntary Employees' Beneficiary Association (the "Client") is not subject to ERISA, for information regarding direct compensation please refer to MFSI's ERISA Section 408(b)(2) fee disclosure notice attached hereto with respect to the services provided to the Client under the Investment Advisory Agreement dated December 17, 2015 by and between MFSI and the Client. The fee schedule with respect to the Investment Advisory Agreement is also attached to this form for your convenience.

**B. Indirect Compensation (Compensation associated with your relationship to the VEBA received from any source other than the Plan, your affiliates or subcontractors)**

Amount: \_\_\_\_\_

Payer: \_\_\_\_\_

Manner of Receipt: \_\_\_\_\_

Services to which such compensation relates: \_\_\_\_\_

Although MFSI is aware that the Client is not subject to ERISA, for information regarding indirect compensation please refer to MFSI's ERISA Section 408(b)(2) fee disclosure notice attached hereto with respect to the services provided to the Client under the Investment Advisory Agreement dated December 17, 2015 by and between MFSI and the Client.

**C. Compensation Among Related Parties (compensation paid or to be paid to third parties, including affiliates or subcontractors; e.g. commissions, 12b-1 fees, soft-dollars, finders' fees, or other similar incentive compensation)**

Amount: \_\_\_\_\_

Payer: \_\_\_\_\_

Recipient: \_\_\_\_\_

Although MFSI is aware that the Client is not subject to ERISA, please refer to MFSI's ERISA Section 408(b)(2) fee disclosure notice attached hereto with respect to the services provided to the Client under the Investment Advisory Agreement dated December 17, 2015 by and between MFSI and the Client.

**D. Total**

Amount: \_\_\_\_\_

Although we do not consider them to be third parties, affiliates or subcontractors, as a general matter, MFSI sales personnel are compensated with respect to any new mandate won in which they were involved, based on a percentage of revenue generated from that mandate.

\*Attach additional sheets as necessary.

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133(7) and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

The certification below is being provided with respect to Bay County Voluntary Employees' Beneficiary Association separate account managed by MFS Institutional Advisors, Inc. ("MFSI"). MFSI's direct parent company (Massachusetts Financial Services Company or "MFS") has adopted the MFS Political Contributions and Activities Policy (the Policy). The Policy is designed to prohibit violations of the SEC's pay to play rule and other applicable laws that relate to political contributions by investment advisors or broker/dealers that do business with government entities, including Municipal Securities Rulemaking Board (MSRB) Rule G-37 and state pay to play laws. All employees must obtain approval from the MFS Compliance Department prior to making a contribution (as defined under the Policy) of any value. To obtain pre-approval for a contribution, an employee must complete and submit a Political Contribution Request Form to the Compliance Department. The department reviews and evaluates each request to determine if it is permissible under the Policy.

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
POLITICAL CONTRIBUTION DISCLOSURE FORM**

Completion required pursuant to MCL 38.1133e  
This form must be submitted to the Board of Trustees  
no later than 28 days following its receipt by the Service Provider.

**I Service Provider Information**

Company Name: MFS Institutional Advisors, Inc.  
Address: 111 Huntington Avenue  
City: Boston State: MA Zip: 02199

The undersigned, being duly authorized to execute, hereby certifies under penalty of perjury that the information provided herein, upon information and belief, is true, accurate and complete, and is intended to fully comply with the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy.

**II Reporting Period**

From: January 1, 2018 To: December 31, 2018

**III Compliance Certification**

The aforementioned Service Provider IS NOT a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider hereby certifies that it is compliant with the requirements of Section 13e of Public Act 314 of 1964, as amended (MCL 38.1133e) as of the date indicated below.  YES  NO

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

The Aforenamed Service Provider IS a registered investment advisor under the Investment Advisors Act of 1940. Accordingly, Service Provider, hereby certifies that it is compliant with Rule 206(4)-5 under the Investment Advisors act of 1940, as amended, as of the date indicated below.  YES  NO

Carol Geremia  
Signature

03/11/19  
Date

Carol Geremia  
Printed Name

President  
Title

Failure or refusal to complete and submit the foregoing Political Contribution Disclosure Form shall be deemed a violation of the requirements of MCL 38.1133e and the VEBA Service Provider Disclosure Policy, and may result in the suspension of payment for services rendered and/or termination of your relationship with the VEBA.

(A copy of Act 314, as amended is available at <http://legislature.mi.gov/doc.aspx?mcl-act-314-of-1965>)

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
4/9/2019  
RESOLUTION**

BY: BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION BOARD

WHEREAS As part of the requirement of the Bay County Voluntary Employees' Beneficiary Association Policy on Service Provider Disclosures, the Board requires information to be provided annually by all of its service providers to acknowledge that they are in compliance with Section 13e of Act 314 [MCL 38.113e] and/or Rule 206(4)-5 of the Investment Advisers Act of 1940 in the case of a regulated investment adviser.

WHEREAS, Compensation disclosure forms and political contribution disclosure forms have been received by the following money managers:

AndCo Consulting	Loomis Sayles
CAPIS	Lord Abbett
CS McKee	MFS Institutional Advisors
Dodge & Cox	
Gabriel Roeder & Smith	

Therefore, Be It

RESOLVED That this Board approve these Compensation Disclosure Forms and Political Contribution Disclosure forms.

STEVE GRAY, CHAIR  
AND BOARD

**RESOLUTION – SERVICE DISCLOSURE FORMS**

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

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

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

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