

**MINUTES OF
JACKSON COUNTY EMPLOYEES' RETIREMENT SYTEM**

Thursday January 28, 2016
6th Floor Room 604

The January 28, 2016 Regular Meeting of the Jackson County Employee's Retirement System Board of Trustees was called to order at 8:30 a.m. by Chairperson Shotwell, The following Trustees were present: Best, Elwell, Huttenlocker, Johnson, Maurer, Shotwell, and Wandell. Also in attendance: Matt Augustine – Morgan Stanley; Debby Gorz - Pension Coordinator; James Latham – Finance Officer; Steven Lutenski – Morgan Stanley; Richard Martonchik – Human Resource Director, and Jack Timmony - VanOverbeke Michaud and Timmony.

Approval of Agenda:

MOTION: Moved by Best, supported by Maurer to approve the Agenda for January 28, 2016 with the Addition of under Item 4B Investment Manager Review. Motion carried.

PUBLIC COMMENT: None

MOTION: Moved by Huttenlocker, supported by Best to receive the Minutes of December 17, 2015. Motion carried.

MOTION: Moved by Best, supported by Huttenlocker to receive the Minutes of January 27, 2016. Motion carried.

Monthly Financial Statement:

MOTION: Moved by Best, supported by Maurer to receive the Monthly Financial Statements as presented by James Latham for December 2015. Motion carried.

Consent Agenda:

MOTION: Moved by Elwell, supported by Huttenlocker to concur with the Consent Agenda:

- A. Comerica Bank Custodial Statements of Account for *December* (►)
- B. Purchase of Service
- C. Refunds of Contributions
- D. Distribution of DROP Balances
- E. Approve Application for Retirement
 - Robert Freeman, General, Nonunion, Effective 4/1/2016
 - Ken Gibbs, General, General, Union, Effective 5/1/2016
 - Anthony Samon, General – deferred, Nonunion, Effective 3/1/2016
- F. Approve Application(s) for entrance into the Deferred Retirement Option Plan (DROP):
 - Michael Hoskins, General, Union, Effective 3/1/2016
 - Karen Robinson, General, Nonunion, Effective 2/1/2016
 - Gregory Ives, Road, Nonunion, Effective 3/1/2016
- G. Statements Paid

H. Correspondence:

1. *Polen Capital 4th Qrt Commentary*
2. *Robbins Geller Settlement Report (12/31/2015)*
3. *Robbins Geller Portfolio Mgr Report (12/31/2015)*
4. *Robbins Geller Int'l Monitoring Report (4th Qrt)*
5. *SSGA O'Hanley Letter (1/20/2016)*
6. *SSGA Performance and Analysis*
7. *WHV Hirayama Letter (1/7/2016)*
8. *WHV November 2015 Client Review (12/17/2015)*
9. Gabriel Roeder Smith's 2016 Proposed Retainer Fees

Roll call vote. Motion carried unanimously, 7 – yes.

Todd Morris and John Gross of Polen Capital Management presented an Investment Portfolio update to the Board by way of Video Conferencing.

MOTION: Moved by Best, supported by Maurer to receive the presentation by Polen Capital Management. Motion carried.

Investment Manager Review Committee:

None

Policy Committee:

None

Legal Counsel:

Legal Counsel Jack Timmony reported that several Policies will be reviewed at the Committee Meeting immediately following this meeting. Beyond that update, nothing further to report.

Morgan Stanley Wealth Management Update:

The packet from the Special Investment Managers Meeting that was held on Wednesday, January 27, 2016, which included potential replacement candidates (seven total) was passed out to the Board Members. Trustee Huttenlocker gave a summary of what was discussed at the Investment Manager Committee Meeting. He reported that the Committee is recommending to conduct a manager search.

MOTION: Moved by Huttenlocker, supported by Johnson to begin the process of conducting a manager search for a replacement for WHV International as recommended by the Investment Manager Committee.

Roll call vote. Motion carried unanimously, 7 – yes.

MOTION: Moved by Huttenlocker, supported by Maurer to suspend Policy #36; Statement of Investment Objectives, Policies and Guidelines, to expedite the process of replacement for WHV International.

Roll call vote. Motion carried unanimously, 7 – yes.

MOTION: Moved by Huttenlocker, supported by Elwell to narrow candidates to four for the replacement of WHV International and schedule interviews for February 17, 2016. The four candidates are:

ClearBridge International Growth
Harding Loevner International Equity
Thornburg Investment Growth
Renaissance International Equity

Roll call vote. Motion carried unanimously, 7 – yes.

MOTION: Moved by Best, supported by Johnson to terminate WHV International upon completion of contract with a new money manager. Motion carried.

New Business

Richard Martonchik, Human Resource Director gave an update regarding the vacancy of the Pension Administrative Assistant. Martonchik reported a number of candidates had been interviewed. He went on to announce that Stephanie Drumhiller has been hired for the position and will begin her employment on Tuesday, February 16, 2016.

Pension Coordinator Debby Gorz presented the Policy Resolution for Authorizing an Election. Trustee Bryan Huttenlocker's three-year term expires May 31, 2016. This Election will be for a Union Employee Representative for a three-year term, with an expiration date of May 31, 2019.

MOTION: Moved by Best, supported by Johnson to approve the Policy Resolution authorizing election under Section 27(2)(b) of the Retirement System Bylaws with the modification under #2, Employees of the Jackson County Sheriff's department *should be replaced with* Jackson County Friend of the Court.

Roll call vote. Motion carried unanimously, 7 – yes.

Chairperson Shotwell adjourned the meeting at 9:55 a.m.

Chairperson

Pension Coordinator