

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

Thursday, March 27, 2014
6th Floor Room 604

The March 27, 2014 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, Shotwell, Wandell, Welihan. Absent: Huttenlocker Also in attendance: Matt Augustine – Morgan Stanley; Crystal Gallagher – Pension Coordinator Assistant; Debby Gorz - Pension Coordinator; James Latham – Finance Officer; Steven Lutenski – Morgan Stanley; and Jack Timmony - VanOverbeke Michaud and Timmony.

Approval of Agenda:

MOTION: Moved by Best, supported by Welihan to approve the Agenda with an addition under New Business, Item C regarding a letter received from a Jackson County Department of Transportation employee regarding Universal Service Credit purchase. Motion carried.

PUBLIC COMMENT: None

Lisa Davenport of Calamos presented the portfolio update to the Board.

MOTION: Moved by Best, supported by Wandell to receive the Investment Portfolio update report from Lisa Davenport of Calamos as presented. Motion carried.

Approval of Minutes:

MOTION: Moved by Best, supported by Elwell to receive the minutes of February 27, 2014 meeting as presented. Motion carried.

Monthly Financial Statement:

MOTION: Moved by Elwell, supported by Wandell to receive the Monthly Financial Statements for February 2014 as presented by James Latham. Motion carried.

Consent Agenda:

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

- A. Receive Comerica Bank Custodial Statements of Account for
February 2014
- B. Purchase of Service
Douglas Bradley – MCF Local 139 – 3 months
- C. Approve Refunds of Contributions –
8766 - \$1,471.45
8767 - \$2,496.73
- D. Approve Distribution of DROP –
187 - \$22,481.79
- E. Approve Application for Retirement
- Kris Putnam – DCPA- General – Effective 6/1/2014

- F. Approve Application(s) for entrance into the Deferred Retirement Option Plan (DROP):
 - **None**
- G. Approve Statements Paid for **2/27/14 – 3/26/14**
 - 1. *Attached credit card statement*
- H. Receive Correspondence:
 - 1. *Robbins Geller Settlement Rpt (2/28/14)*
 - 2. *Robbins Geller Monitoring Rpt (2/28/14)*
 - 3. *SSGA Performance Report (2/28/14)*
 - 4. *Tradewinds Ltr (2/26/14)*
 - 5. *Tradewinds President Cusack Biography*
- I. Pension Coordinator Monthly Report

Roll call vote. Motion carried unanimously, 5 – yes.

Steve Lutenski of Morgan Stanley Wealth Management reported for the Investment Manager Review Committee. He stated that Wentworth, Hauser and Violich has been under review by the committee. They have been underperforming their benchmark, and will continue to watch their performance. They are scheduled to appear before the Retirement Board this July. Currently they are above the benchmark for the year, but will continue to monitor WHV.

MOTION: Moved by Wandell, supported by Elwell to approve the updates made to Policy #6; *Standards of Conduct and Conflicts of Interest* as presented.

Roll call vote. Motion carried unanimously, 5 – yes.

MOTION: Moved by Wandell, supported by Best to assign the Jackson County Employees' Retirement System's *Statement of Investment Objectives, Policies and Guidelines* a Policy number of #36.

Motion carried.

Board Legal Counsel Jack Timmony reported on the Robbins Geller Settlement Report and Monitoring Report, stating we will receive a portion of the settlement regarding Lehman Brothers (Ernst & Young). Currently we are not a participating member in any other ongoing class action suits.

MOTION: Moved by Best, supported by Wandell to request the Board Attorney Jack Timmony to review the letter received by the Jackson County Department of Transportation employee regarding a current purchase of Universal Service Credits. Legal Counsel shall review the contract language along with the Board policy and may contact Jackson County Human Resources and/or the Actuary if necessary regarding this issue. The attorney will provide a recommendation to the Board at the April Board meeting. Motion carried.

Chairman Shotwell shared the March 27, 2014 Memorandum directed to the Personnel & Finance Committee regarding the Jackson County Employees' Retirement System's By-law Section 26, and the Rate of Interest Credited 5.25% review.

Steve Lutenski and Matt Augustine of Morgan Stanley Wealth Management presented a market update to the Trustees.

Pension Coordinator Assistant Crystal Gallagher gave an update on the upcoming election for a union position. The three candidates are Lindall Burton, Youth Center, Peter Ford, Department of Transportation and Roger Sperlbaum, Department of Transportation.

Pension Coordinator Debby Gorz gave an update to the Board regarding the Service Disclosure statement responses. Gorz reported that all but two have returned their forms. According to Board Policy, no payment shall be made to the two outstanding firms, until the completed forms have been received.

Chairperson Shotwell adjourned the meeting at 10:06 a.m.

Chairperson

Pension Coordinator