

January 22, 2009
6th Floor Conference Room
County Tower Building

The January 22, 2009 Regular Meeting of the Jackson County Employees' Retirement System Board of Trustees was called to order at 8:35 a.m. by Chairperson Barrett. The following Trustees were present: Barrett, Best, Cyrocki, Mahoney, Murch, Shotwell, Steele. Absent: None. Quorum present. Also in attendance were Matt Augustine – Smith Barney; Kelli Collier – Pension Coordinator; Steve Lutenski – Smith Barney; Jack Timmony – VanOverbeke Michaud & Timmony; Randy Treacher – County Administrator.

PUBLIC COMMENT: None.

Miriam Ballert of Wentworth, Hauser and Violich Investment Counsel presented a portfolio update to the Board.

MOTION: Moved by Best, supported by Mahoney to receive the investment portfolio update report from Wenworth, Hauser and Violich Investment as presented. Motion carried.

MOTION: Moved by Mahoney, supported by Murch to receive the minutes of December 18, 2008 as presented with the spelling correction noted on Page 3. Motion carried.

MOTION: Moved by Best, supported by Mahoney to receive the Comerica Bank Custodial Statements of Account for December and the Comerica 4th Quarter Broker Commission Report. Motion carried.

MOTION: Moved by Best, supported by Shotwell to receive the November and December Monthly Financial Reports as presented by Trustee Cyrocki. Motion carried.

MOTION: Moved by Best, supported by Cyrocki to approve the following Applications for Refund of Accumulated Contributions as presented:

- 8434 Daniel Schwalm – Prosecutor
- 8435 Amanda Lake – MCF
- 8436 Naomi Wheeler – MCF (Deferred)

Motion carried.

MOTION: Moved by Murch, supported by Cyrocki to approve the following Distributions of Deferred Retirement Option Plan (DROP) funds as presented:

- 90 Margaret Tucker – FOC
- 91 Christine Wheeler – FOC
- 92 David Teriaco – Sheriff Dept.
- 93 Steven Markle – Health Dept.
- 94 Martin Crowley – Health Dept.
- 95 Janet Rochefort – Treasurer
- 96 Mary Shearer – FOC
- 97 William Truitt – Road Commission

Motion carried.

MOTION: Moved by Cyrocki, supported by Best to approve the following Application for Retirement:

Donald Gegenfurtner – Dept. on Aging
Effective 1/1/09

Motion carried.

MOTION: Moved by Shotwell, supported by Mahoney to approve the following Application for entrance into the Deferred Retirement Option Plan (DROP):

Iva Arbuckle – Circuit Court
Effective 2/1/09

Motion carried.

MOTION: Moved by Best, supported by Cyrocki to receive the following correspondence:

- A. MAPERS (12/1/08) re: Membership Renewal
- B. NWQ (12/18/08) re: Update
- C. Gabriel Roeder Smith & Co. (12/22/08) re: News Scan
- D. SSGA (11/30/08) re: Account Summary
- E. Kelli Collier – JCERS (1/15/09) re: FOIA Response to Holly Klafit
- F. Kevin Sykes (1/16/09 email) re: Smith Barney Update
- G. Wells Capital Management (12/29/08) re: ADV Part II
- H. DHJ&A (January 2009) re: Overview
- I. Comerica Bank (1/14/09) re: Securities Lending

Motion carried.

Pension Coordinator reported that the Retirement Board of Trustees Agenda Packets will now be posted on the County's website at www.co.jackson.mi.us under the Agenda tab and approved meeting minutes will be posted under the Minutes tab. Additionally, payment is being processed for two Retirement System licenses for the ImageSoft software to be used for indexing of retirement records, however the software may not be available until mid-March due to the installation process timeline for other County departments.

The Opinion of Board Legal Counsel Jack Timmony dated July 18, 2008 regarding DROP and Retirement was distributed to the Trustees for discussion.

MOTION: Moved by Shotwell, supported by Mahoney to receive the July 18, 2008 Legal Opinion from Board Legal Counsel Jack Timmony regarding DROP and Retirement questions. Motion carried.

The issues regarding employment of the current Pension Coordinator and future employees of the Retirement System were discussed. During a meeting between the County, County's Legal Counsel, Retirement System and Retirement System's Legal Counsel, it was affirmed that the current Pension Coordinator is to be treated as a nonunion County employee for all benefit purposes, including current fringe benefits and all retirement benefits. A letter from the County reaffirming this conclusion is due to the Retirement Board and Pension Coordinator Collier.

Future employees of the Retirement System will be employed and receive all fringe benefits through the Retirement System. Discussion was held regarding requesting that the Board of Commissioners consider an amendment to the Retirement System Bylaws to add the Retirement System as a fourth employer in the Jackson County Employees' Retirement System so that future employees of the System would be members of the Retirement System.

MOTION: Moved by Cyrocki, supported by Best to send a letter from the Board of Trustees to the Jackson County Board of Commissioners (BOC) requesting that the BOC consider an amendment to the Retirement System Bylaws to add the Retirement System as a fourth employer in the Jackson County Employees' Retirement System. Motion carried. No – Shotwell.

The process of applying for and receiving a Federal Employer ID Number (FEIN) was discussed. Due to issues related to filing for a FEIN online, it was recommended by Board Legal Counsel that the process be completed by filing a hard-copy Application for FEIN.

Steve Lutenski and Matt Augustine of Smith Barney reported that the asset reallocation process had been completed as instructed. A market and investment update was presented to the Board.

Shotwell left the meeting at 10:20 a.m.

Extensive discussion was held regarding employment of an Administrative Assistant for the Retirement System including whether to hire full-time or part-time and what fringe benefits would be offered.

MOTION: Moved by Murch, supported by Steele to direct the Employment Committee to develop a benefit package and pay scale to be brought to the full Board at the February meeting to hire Debby Gorz as a full-time Administrative Assistant for the Retirement System.

MOTION: Moved by Murch to call the question. Motion carried.

Original Motion failed. Yes – Murch.

MOTION: Moved by Mahoney, supported by Cyrocki to direct the Employment Committee to develop a benefit package and pay scale to be brought to the full Board at the February meeting to hire Debby Gorz as a part-time Administrative Assistant for the Retirement System. Motion carried.

Chairperson Ed Barrett distributed a letter to the Trustees resigning as Chairperson, effective immediately.

MOTION: Moved by Murch, supported by Best to accept the resignation of Ed Barrett as Chairperson of the Board of Trustees with regret. Motion carried.

MOTION: Moved by Best, supported by Murch to nominate John Steele as Chairperson of the Board of Trustees, to complete the term vacated by Ed Barrett.

MOTION: Moved by Best, supported by Murch to close nominations and cast a unanimous ballot for John Steele as Chairperson of the Board of Trustees, to complete the term vacated by Ed Barrett. Motion carried.

Steele assumed the Chair for the completion of the meeting.

Best left the meeting at 10:55 a.m.

MOTION: Moved by Mahoney, supported by Murch to receive the 4th Quarter 2008 Administrative Expense Report as presented by Pension Coordinator Collier. Motion carried.

MOTION: Moved by Murch, supported by Barrett to adopt the Proposed 2009 Scheduled Meetings with Managers and Consultants. Motion carried.

MOTION: Moved by Mahoney, supported by Cyrocki to adopt the Proposed 2009 Trustee Election Schedule. Motion carried.

MOTION: Moved by Mahoney, supported by Cyrocki to approve the attached 2009 Resolution for Election of Union-Representative Trustee. Motion carried.

MOTION: Moved by Barrett, supported by Mahoney to adjourn at 11:05 a.m. Motion carried.

Chairperson

Pension Coordinator