

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

Thursday August 28, 2014  
6<sup>th</sup> Floor Room 604

The August 28, 2014 Regular Meeting of the Jackson County Employee's Retirement System Board of Trustees was called to order at 8:33 a.m. by Chairperson Shotwell. The following Trustees were present: Best, Burton, Huttenlocker, Maurer, Shotwell, Wandell. Absent: Elwell 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 Wandell to approve the Agenda with the addition under New Business, Item 8C - Refund Check and Item 8D Stop Checks. Motion carried.

**PUBLIC COMMENT:** None

The portfolio presentation was cancelled; Phil Deeney of State Street did not appear as scheduled.

**Approval of Minutes:**

**MOTION:** Moved by Maurer, supported by Best to receive the minutes of July 24, 2014 meeting as presented. Motion carried.

**Monthly Financial Statement:**

**MOTION:** Moved by Best, supported by Maurer to receive the Monthly Financial Statements for July 2014 as presented by James Latham. Motion carried.

**Consent Agenda:**

**MOTION:** Moved by Burton, supported by Huttenlocker to concur with the Consent Agenda but to move Item B, Purchase of Service under Old Business, Item 7F:

- A. Receive Comerica Bank Custodial Statements of Account for  
*July 2014*
- B. Approve Refunds of Contributions –
  - 8792 - \$14,446.14*
  - 8793 - \$92.60*
  - 8794 - \$2,120.23*
  - 8795 - \$7,013.99*
  - 8796 - \$30,339.59*
  - 8797 - \$178.29*
- C. Approve Distribution of DROP –  
*193 - \$39,794.70*
- E. Approve Application for Retirement
  - *Debra Kietzman, General, Union, Effective 9/1/2014*
  - *Howard F. Tanner, II – General, Nonunion, Effective 9/1/2014*
  - *Max Videto – JDOT, Union, Effective 9/1/2014*

- F. Approve Application(s) for entrance into the Deferred Retirement Option Plan (DROP):
  - **None**
- G. Approve Statements Paid for **07/24/2014 – 08/27/2014**
  - 1. *Attached credit card statement*
- H. Receive Correspondence:
  - 1. *CS McKee, 2<sup>nd</sup> Quarter 2014*
  - 2. *GH&A, Letter dated 7/30/2014*
  - 3. *GH&A, Performance Summary (6/30/2014)*
  - 4. *NWQ Holdings (6/30/2014)*
  - 5. *NWQ Performance Summary (6/30/2014)*
  - 6. *Polen Capital Portfolio Appraisal (6/30/2014)*
  - 7. *Robbins Geller Rudman & Dowd Monitoring Rpt (7/25/2014)*
  - 8. *Robbins Geller Rudman & Dowd Settlement Rpt (7/25/2014)*
  - 9. *SSGA Performance & Analysis (7/31/14)*
  - 10. *SSGA Quarterly Investment Commentary (6/30/2014)*
  - 11. *SSGA Forecasts 3<sup>rd</sup> Quarter 2014*
  - 12. *Tradewinds Global Investors Summary Report (6/30/2014)*
  - 13. *Tradewinds Performance Summary (6/30/2014)*
  - 14. *Tradewinds 2<sup>nd</sup> Quarter 2014*
  - 15. *WHV International Equity 2<sup>nd</sup> Quarter Commentary*
  - 16. *WHV Summary of Investment Performance (6/30/2014)*
- I. Pension Coordinator Monthly Report

Roll call vote. Motion carried unanimously, 6 – yes.

Steve Lutenski of Morgan Stanley Wealth Management reported for the Investment Review Committee. He stated they discussed State Street Global Advisors at the last meeting and said SSGA are doing exactly what they are supposed to be doing for their portfolio.

**MOTION:** Moved by Best, supported by Huttenlocker to approve the updates to the Service Retirement Policy as presented by the Policy Committee.

Roll call vote. Motion carried unanimously, 6 – yes.

Legal Counsel Jack Timmony reported that two Freedom of Information Act requests were received and reviewed. The request from Cathy Smith was denied in part and approved in part. The request from an Investment Magazine was denied.

Trustee Huttenlocker raised the question as to whether military time and airtime for Mr. Tanner is permissible. This issue was reviewed by Legal Counsel and the Board, and concluded the service time purchased by Mr. Tanner is permissible.

Purchase of Service

- **Frances Taylor, MCF – AFSCME Local 139, 2 years**
- **Danny Deering, General – POAM, 4 years**
- **Howard Tanner, General – Non-Union, 2 years**

**MOTION**: Moved by Huttenlocker, supported by Wandell to approve the Purchase of Service Item that was pulled from the Consent Agenda. Roll call vote. Motion carried unanimously, 6 – yes.

Steve Lutenski of Morgan Stanley Wealth Management reported the volatile index went down and is at a 7 year low. He went on to report that results for the quarter shows that almost all of the major markets were up.

There was much discussion between Board Members and Morgan Stanley Wealth Management Consultants regarding Polen Capital Management. Morgan Stanley will continue to monitor Polens' performance.

**MOTION**: Moved by Best, supported by Maurer to receive the 2nd Quarter report from Morgan Stanley Wealth Management. Motion carried.

**MOTION**: Moved by Maurer, supported by Huttenlocker to elect Trustee Best and Trustee Burton as delegates to the 2014 Fall MAPERS conference, Trustee Shotwell will serve as an alternate. Motion carried.

**MOTION**: Moved by Maurer, supported by Best to follow the Verification of Retirant and Beneficiary Data Policy resulting in the suspension of the October 1, 2014 benefits for the individuals who did not return their verification form with in the noted 60 day time period, retiree #529 and #861. Benefits will be reinstated once verification from the retiree is received. Motion carried.

Morgan Stanley will be hosting a Trustee Education Seminar on September 18<sup>th</sup>. Members planning to attend are Lindall Burton, Crystal Gallagher, Bryan Huttenlocker, Kent Maurer, and Marce Wandell.

Chairperson Shotwell adjourned the meeting at 10:12 a.m.

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Chairperson

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Pension Coordinator