

**WAYNE COUNTY EMPLOYEES' RETIREMENT COMMISSION
REGULAR MEETING**

**November 29, 2017
9:15 am**

**28 WEST ADAMS, 18TH FLOOR
CONFERENCE ROOM
GRAND PARK CENTRE
DETROIT, MICHIGAN 48226**

Commissioners Present:

Tina Turner	ELECTED MEMBERS TO THE BOARD
Henry Wilson	
Francesco Simone	
Tom Yee	
Elizabeth Misuraca	
Hugh Macdonald	
Gary Woronchak, Chairman Wayne County Commission	EX-OFFICIO MEMBER

Absent:

Tony Saunders Office of the Wayne County Executive	EX-OFFICIO MEMBER
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Others Present:

Robert Grden, Gerard Grysko, Kelly Tapper, Wendy Foster, Felicia Hollis, Todd Pickett, Kevin Kavanagh, Alan Helmkamp, Tracy McAllister, Jack Timmony, Robert Abb, Peter Brown, Brian Green, Rick Pokorny Bobby Hawkins, Donald Gray and Kathleen Colin.



1. Call to Order at 9:24 am.
2. Roll Call;

Present: Tina Turner, Henry Wilson, Francesco Simone, Tom Yee, Elizabeth Misuraca, Hugh Macdonald and Gary Woronchak.

Absent: Tony Saunders.

Mr. Jack Timmony and Mr. Robert Abb from VanOverbeke, Michaud & Timmony, P.C. entered the meeting and moved to the table at 9:24 am.

Mr. Peter Brown and Brian Green from AndCo Consulting entered the meeting and moved to the table at 9:24 am.

- 3a. Approval of minutes of the meeting of October 30, 2017 and November 10, 2017.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Waive the reading of the minutes and Approve the minutes of October 30, 2017 and November 10, 2017.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

- 3b. Applications for retirement.

Mr. Wilson moved for the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Approve the applications for retirement.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

APPLICATIONS		
Name	Dept.	Retirement Date
Sandra Tates	Cir Ct	12/1/2017
Gail Ruckes	WCS	12/1/2017
Cedric Robinson	M & B	1/1/2018
Albert Wright	WCAA	1/1/2018
Sharon Bommartio	WCAA	1/1/2018
Donald Thompson	M&B	1/1/2018
David E. Dimaria	WCAA	1/1/2018
Yvonne Darden	WCAA	1/1/2018
Edmund Dorsey	DPS	1/1/2018
Michael Garza	DPS	1/1/2018
Vertis Park	WCRC	1/1/2018



DISABILITY APPLICATIONS

Name	Dept.	Application Date
Connie Phillips	Co Clk	10/17/17
Donneze Richardson	DHVCW	10/26/17
Cardell Davis	WCS	11/01/17

3c. Removals from pension payroll because of death.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, that the listed retirees be removed from the pension payroll because of their deaths; and further

RESOLVED, that any monies due to the deceased be paid to the named beneficiaries, subject to the receipt of a death certificate in each case.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

DEATHS

Name	
Emerson Brooks	Bruce Davis
Martha White	James Chambers
Dorothy Henry	Edith Cipa
Betty Jane Walker	Thurman Briggs
Shantryce Craig	Salvatore Cucinella
Roger Buysse	Michael Stevenson
Lamine Dia	Calvin Patterson
Ronald J. Rucker	Darrell Maddix
Madeline Arkuski	Terry Hunter
Kerry Wolfe	Darce Triplett
Barbara B. Beyster	Wilma Hayden
May Holmes	Robert Lehman

3d. Retirement Allowances.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Approve the final retirement allowances.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

NEW RETIREES

Name	Dept.	Name	Dept.
Sandra Tates	Cir Ct.	Gail Ruckes	WCS



- 3e. Adjustment of pensions for retirees because of additional earnings, annual leave payments, overpayments, etc.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Approve the adjustment of pensions for retirees because of additional earnings, annual leave payments, overpayments, etc.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

UPDATES FROM PREVIOUS AGENDA (NEW RETIREES)

Name	Effective Date
David Soblo	11/01/17

ADJUSTMENTS

Name	Adjustment Date
Sharon Reeves	10/01/17

ADJUSTMENTS TO CONTRIBUTIONS ONLY

Name	Adjustment Date
(None)	

- 3f. Re-calculations and/or Pop-ups due to death of spouse, and attainment of age 60 under Disability Retirement as well as additional contributions.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Approve the Re-calculations and/or Pop-ups due to death of spouse, and attainment of age 60 under Disability Retirement as well as additional contributions.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

RE-CALCULATIONS

Name	Conversion Date
(None)	

POP-UPS

Name	Pop-Up Date
Roger Buysse	3/1/2010
Janet Eicholtz	10/1/2017
Sharon Ruggioli	10/1/2017



- 3g. November stipends of \$154,448.14 for pre-Medicare eligible members pursuant to Wayne County Ordinance 2015-610.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Approve the November stipends of \$154,448.14 for pre-Medicare eligible members pursuant to Wayne County Ordinance 2015-610.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

- 3h. Correspondence.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Accept the correspondence.

The motion was supported by Mr. Macdonald and carried unanimously 7-0.

4. Consideration of meeting minutes for the closed session(s) of October 30, 2017.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Waive the reading of the minutes and Approve the minutes for the closed session(s) of October 30, 2017.

The motion was supported by Mr. Wilson and carried 6-0-1 with Mr. Woronchak abstaining. (Mr. Woronchak abstained because he was absent the meeting of October 30, 2017)

5. Recommendation from Dr. Vosburgh, Medical Director regarding the disability retirement of the following members:

Non-Duty Disability

Brian Meade

Duty Disability

Lynn Glover

Nolan Turner

Ms. Tracy McAllister of Wayne County Corporation Counsel entered the meeting and moved to the table at 9:25 am.



Mr. Macdonald made a motion to go into Closed Session pursuant to the provisions of the Michigan Open Meetings Act, M.C.L.A. 15.243(1)(h), which permits a Public Body to discuss matters in closed session that are subject to Physician-Patient Privilege, noting that a roll call is required for this motion. This is not subject to disclosure under The Freedom of Information Act, M.C.L.A 15.231 *et seq.* The agenda item to be discussed is #5.

The motion was supported by Mr. Wilson and carried unanimously 7-0 with a roll call vote, Tina Turner - yes, Henry Wilson - yes, Francesco Simone - yes, Tom Yee – yes, Elizabeth Misuraca - yes, Hugh Macdonald – yes, Gary Woronchak - yes.

The Retirement Commission went into closed session at 9:25 am.

The Retirement Commission came out of closed session at 9:32 am.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Accept the legal report by Corporation Counsel regarding disability retirement(s); and further

RESOLVED, to Accept the recommendation(s) from the Medical Director and Corporation Counsel; and further

RESOLVED, to Approve the non duty disability and that further exams if required will be determined by the Retirement Commission for:

Non-Duty Disability

Brian Meade

The motion was supported by Mr. Wilson and carried unanimously 7-0.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees’ Retirement Commission, to Accept the legal report by Corporation Counsel regarding disability retirement(s); and further

RESOLVED, to Accept the recommendation(s) from the Medical Director and Corporation Counsel; and further

RESOLVED, to Approve the duty disability and that further exams if required will be determined by the Retirement Commission for:

Duty Disability

Nolan Turner

The motion was supported by Mr. Wilson and carried unanimously 7-0.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Accept the legal report by Corporation Counsel regarding disability retirement(s); and further

RESOLVED, to Accept the recommendation(s) from the Medical Director and Corporation Counsel; and further

RESOLVED, to Deny the duty disability for Lynn Glover and send correspondence with right to appeal; and further

RESOLVED, to Approve the non duty disability and that further exams if required will be determined by the Retirement Commission for:

Non-Duty Disability

Lynn Glover

The motion was supported by Mr. Wilson and carried unanimously 7-0.

Ms. McAllister exited the meeting at 9:36 am.

Mr. Rick Pokorny of Northern Trust entered the meeting and move to the table at 9:36 am.

6. Consideration of an annual update, dated September 30, 2017 from Rick Pokorny of Northern Trust.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission to Receive and File the annual update, dated September 30, 2017 from Rick Pokorny of Northern Trust Corporation.

The motion was supported by Ms. Misuraca and carried unanimously 7-0.

17. Consideration of a legal report form VanOverbeke, Michaud & Timmony, P.C. on the Wayne County Commission pension plan initiative.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Receive and File the legal report form VanOverbeke, Michaud & Timmony, P.C. on the Wayne County Commission pension plan initiative.

The motion was supported by Mr. Wilson carried unanimously 7-0.

Chairwoman Turner called for a recess at 10:58 am.



The Retirement Commission returned to session at 11:15 am with the following Commissioners present: Tina Turner, Henry Wilson, Francesco Simone, Tom Yee, Elizabeth Misuraca, Hugh Macdonald and Gary Woronchak.

7. Consideration of a report on Northern Trust custodial bank reconciliation dated, September 30, 2017 from AndCo Consulting.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Receive and File the oral report on Northern Trust custodial bank reconciliation dated, September 30, 2017 from AndCo Consulting.

The motion was supported by Mr. Wilson and carried unanimously 7-0.

8. Consideration of the quarterly update report, dated September 30, 2017 on the Defined Benefit Plan from AndCo Consulting.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Receive and File the quarterly update report, dated September 30, 2017 on the Defined Benefit Plan from AndCo Consulting.

The motion was supported by Ms. Misuraca and carried unanimously 7-0.

9. Consideration of the October flash report on the Defined Benefit Plan from AndCo Consulting.

Mr. Simone moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Receive and File the October flash report on the Defined Benefit Plan from AndCo Consulting.

The motion was supported by Ms. Misuraca and carried unanimously 7-0.

10. Consideration of an update from the Executive Director, Robert Grden on the Seminole REIT SAS Advisory Board meeting of November 14, 2017.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission to Accept the oral update from Executive Director, Robert Grden on the Seminole REIT SAS Advisory Board meeting of November 14, 2017.

The motion was supported by Mr. Wilson and carried unanimously 7-0.



11. Consideration of a status update on the Defined Benefit Plan from AndCo Consulting.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Accept the oral status update regarding the Defined Benefit Plan from AndCo Consulting.

The motion was supported by Mr. Wilson carried unanimously 7-0.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Authorize the Executive Director, Robert Grden to vote against the Lightstone Value Plus Real Estate Investment Trust, Inc. proxy based on the oral recommendation from AndCo Consulting.

The motion was supported by Mr. Wilson carried unanimously 7-0.

12. Consideration of a review on Steward Real Estate Partners Fund I, L.P. from AndCo Consulting.

Mr. Simone moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Pass for the day the report regarding Steward Real Estate Partners Fund I, L.P. from AndCo Consulting.

The motion was supported by Mr. Yee and carried unanimously 7-0.

13. Consideration of an oral report from Hugh Macdonald regarding the Audit Committee meeting of November 16, 2017.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Accept the oral update from the Audit Committee meeting of November 16, 2017.

The motion was supported by Mr. Wilson and carried unanimously 7-0.

14. Consideration of a report from Gabriel, Roeder, Smith & Company on the Wayne County Airport Authority GASB Statement 67/68 accounting and financial reporting for pensions.

Mr. Macdonald moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Receive and File the report from Gabriel, Roeder, Smith & Company on the Wayne County Airport Authority GASB Statement 67/68 accounting and financial reporting for pensions; and further



RESOLVED, to Authorize the distribution of the reports to the Wayne County Airport Authority.

The motion was supported by Ms. Misuraca and carried unanimously 7-0.

15. Consideration of an update from Executive Director, Robert Grden on the defined benefit investment consultant contract ending March 2018.

Mr. Wilson moved the adoption of the following resolution:

WHEREAS, the Retirement Commission of the Wayne County Employees' Retirement System (the "Retirement Commission") is vested with the fiduciary responsibility for the proper administration, management and operation of the Retirement System, and for making effective the Retirement System provisions, and

WHEREAS, the Retirement Commission notes the provisions of Section 141-35(f)(5) of the Retirement Ordinance and Section 13(5) of Public Act 314 of 1965, as amended [MCL 38.1133(5)], authorize the Retirement Commission to use a portion of the Retirement System's income to defray the costs of investing, managing, and protecting the assets of the system, as well as retaining the services necessary for the conduct of the affairs of the system, including investment advisors and consultants, and

WHEREAS, the Retirement Commission is of the considered opinion that it is in the best interest of Plan Members and Beneficiaries for the Retirement Commission to retain an independent Investment Consultant with expertise in Michigan public employee retirement systems to service as Investment Consultant to the Retirement Commission, and

WHEREAS, pursuant to advice from VanOverbeke, Michaud & Timmony, P.C. ("VMT"), the Retirement Commission's legal counsel, and as a best practice consistent with Retirement System policies and procedures, the Retirement Commission regularly reviews its service providers, and

WHEREAS, the Retirement Commission has an established relationship with AndCo Consulting ("AndCo"), formerly The Bogdahn Group, which has provided the Retirement Commission with investment consulting services for the Defined Benefit Plan since April 1, 2013, and

WHEREAS, as part of its due diligence and review of its investment consulting services, the Retirement Commission reviewed its investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Retirement Commission's goal of maximizing future gains without overly increasing risk or volatility in the portfolio, and

WHEREAS, the Retirement Commission notes that its investment returns with its investment consultant have been at or near 9.5% since April 1, 2013 thru September 30, 2017, and have exceeded the average returns for similarly situated investors, and

WHEREAS, the Retirement Commission further notes that its investment rate of return for the 2016 calendar year was approximately 9.13% net of fees, due to the success of the Retirement System's asset allocation and investment manager decision, and

WHEREAS, the Retirement Commission reviewed its investment returns for the fiscal year ending September 30, 2017, and notes that its investment rate of return was approximately 12.72% net of fees, higher than almost 70% of other public plan returns during that same period, and

WHEREAS, since April 1, 2013 thru September 30, 2017, the Defined Benefit Plan has generated returns in the top quartile, met policy expectations and outperformed the All Public Plan median benchmark by approximately 76 bps, and

WHEREAS, the Defined Benefit Plan's assets have grown to over \$916 million while simultaneously experience negative net distributions of over \$112 million annually, and

WHEREAS, the Retirement Commission has thoroughly reviewed and discussed AndCo's investment consulting services, and

WHEREAS, the Retirement Commission has determined that the retention of AndCo is in the best interest of the Retirement System and will further promote the independence and objectivity of the management of plan assets, and facilitate the continuity of investment objectives, and

WHEREAS, the current agreement between the Retirement Commission and AndCo expires on March 31, 2018, and

WHEREAS, AndCo has agreed to continue act as a fiduciary to the Retirement Commission and to provide the same investment consulting services it has been providing since April 1, 2013, therefore be it

RESOLVED, that the Retirement Commission desires to retain the services of AndCo and hereby authorizes the Executive Director to work with legal counsel to negotiate the terms of a new agreement with AndCo to provide investment consulting services for its Defined Benefit Plan, and further

RESOLVED, that the Retirement Commission's relationship with AndCo shall be governed by a contract that will be negotiated by VMT, and further

RESOLVED, that the Executive Director and legal counsel shall report the progress on negotiating a new contract to the Retirement Commission at the December 18, 2017, meeting, and further

RESOLVED, that a copy of this resolution shall be forwarded to AndCo and all other appropriate parties.



The motion was supported by Mr. Woronchak and carried unanimously 7-0.

16. Consideration of certification of Tom Yee as the elected Active Employee Commissioner for the term ending December 31, 2021.

Mr. Wilson moved the adoption of the following resolution:

RESOLVED, by the Wayne County Employees' Retirement Commission, to Accept the certification of Tom Yee as the elected Active Employee Trustee for the term ending December 31, 2021.

The motion was supported by Ms. Misuraca carried unanimously 7-0.

18. Such other Matters.

There were no such other matters.

19. Reconsiderations.

There were no reconsiderations.

20. Public Comment.

There was no public comment.

21. Adjournment.

Mr. Wilson moved to adjourn the meeting.

The motion was supported by Ms. Misuraca and carried unanimously 7-0.

There being no further business to come before the Retirement Commission the meeting was adjourned at 12:11 pm subject to the call of the Chair.

VOUCHERS RETIREMENT EXPENSE FUND		
28 Associates, LLC	Electric billing period: 11/08/17 reading	37.97
28 Associates, LLC	Electric billing period: 11/08/17 reading	432.16
28 Associates, LLC	Lease for December 2017	16,701.87
Absopure	Water	137.50
City of Detroit/ MPD	Parking for December 2017	910.00
DeRoy & Devereaux	Management fee quarter ending 9/30/17, mid cap	50,486.00
Direct TV	Charges for service period: 10/18/17-11/17/17	58.99
Earnest Partners, LLC	Management fee quarter ending 9/30/17, mid cap	68,932.20
Fisher Investments	Management fee quarter ending 9/30/17, mid cap	105,837.73
Gabriel, Roeder, Smith & Co	EDRO service for July 11, 2017	1,100.00
Gabriel, Roeder, Smith & Co	Actuarial services for September 2017	5,000.00
Gabriel, Roeder, Smith & Co	Actuarial services for September 2017, Airport Authority	3,000.00

