

MINUTES OF THE RETIREMENT COMMISSION
Thursday, October 15, 2015

A meeting of the Retirement Commission was held on Thursday, October 15, 2015 at 8:30 a.m., at the Macomb County Administration Building, 9th Floor Conference Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

Present:

Jerry Moffitt – Chair, Darra Slanec – Vice-Chair, Matthew Murphy, Mark Deldin, Dave Flynn, Bob Hoepfner

Excused:

Gary Cutler

Also Present:

Leonard Reinowski, Stephen Smigiel, John Schapka, John Kravitz, Stephanie Dobson, Mike Holycross, Tom Michaud

1. Call to Order

There being a quorum of the committee present, the meeting was called to order at 8:30 a.m. by Chair Moffitt.

2. Adoption of Agenda

A motion was made by Trustee Flynn to adopt the agenda as presented. The motion was supported by Trustee Hoepfner. The motion carried.

3. Public Participation

None

4. Approval of Minutes – September 17, 2015 and September 24, 2015

A motion was made by Trustee Deldin, supported by Trustee Hoepfner to approve the minutes of September 17, 2015 as presented. The motion carried.

A motion was made by Trustee Hoepfner, supported by Trustee Murphy to approve the minutes of September 24, 2015 as presented. The motion carried.

5. Approval of Invoices

A motion was made by Trustee Flynn, supported by Trustee Deldin to approve the invoices as presented. The motion carried.

6. Retirement Administrator Report

Ms. Dobson reported activity from the month of August. Her department is beginning a particularly busy time of year with many appointments being scheduled. She also reported that they are dealing with some technology challenges right now that are requiring all estimates and finals to be calculated manually. They are still in the process of trying to develop a report with Martha T. Berry that can be loaded into the GRS system. The Department of Roads is the only department that is up to par. She is pushing for ETAs from both ADP (the payroll provider for Martha T. Berry) and Bi-Tech/OneSolution (the payroll system for the County) as this is also delaying the transition to Buck.

Ms. Dobson also indicated that due to the technology issues she has been dealing with, she has been delayed in working on further updates to the Retirement Commission website, although agendas and minutes posted on the website are current.

7. Disability Retirement

At 8:32 a.m. a motion was made by Trustee Murphy to enter into closed session to discuss Ms. Anastos' and Mr. Rogers' requests. The motion was supported by Vice-Chair Slanec. A roll call vote was taken with all members responding affirmatively to enter into closed session. Motion carried.

At 8:40 a.m. the committee came out of closed session.

-- Denise Anastos (Appeal)

The Board agreed to have MMRO proceed with their standard protocol when an appeal is requested. MMRO will assign Ms. Anastos' previous medical information and new medical information to another case manager who will review it and determine if another IME is warranted.

-- Jerry Rogers (Final Re-exam waiver request)

The Board agreed to forgo the 2015 re-exam for Mr. Rogers as he reached his normal retirement age during the process of scheduling this year's re-exam.

8. Discussion regarding WHV International

Mr. Holycross is recommending termination of the WHV International investment. There has been a lack of portfolio activity and lack of an explanation. They have not made a single trade in the last two years. The vast majority of Mr. Holycross' clients have begun to liquidate this portfolio and he suggests

bringing WHV in and giving them an opportunity to make their case. The Board agreed and requested they be brought in as soon as possible. Mr. Holycross will try to have them come in for the next meeting on October 29th and will confirm their availability later today.

9. Bloomfield Capital

Nick Coburn, Jason Jarjosa and Mike Lucci joined the meeting to present their 2015 Fund Update. They began with an overview of the firm and also covered the Fund II performance update, investment profiles and the Bloomfield process and portfolio. Mr. Coburn presented an example of one of their realized transactions with a property in Ann Arbor. Going forward, they have started raising capital for Fund III. They are expecting to close at the end of this year or very early next year. Terms for Fund III were also outlined in the presentation. Trustee Flynn and Chair Moffitt inquired about the circumstances related to the two non-performing loans included in the report and these were explained to the Board's satisfaction.

Mr. Holycross has already asked his research group to begin operational due diligence into Bloomfield Capital for Fund III. He noted that from a timeline standpoint the cash flow from the money coming back from Intercontinental could simply flow to the Bloomfield Fund III.

A motion was made by Trustee Flynn and supported by Trustee Murphy to make a \$10,000,000 investment into Bloomfield Capital Fund III once the operational due diligence by Morgan Stanley has been completed. The motion carried.

10. Other Business

None

11. Adjournment

There being no further business before the Board, a motion was made by Trustee Hoepfner, supported by Trustee Deldin to adjourn the meeting at 9:23 a.m. The motion carried.