

1. Can you please provide a list of holdings by manager for BCERS and the VEBA?

Please refer to the individual December 2016 Monthly Money Manager Reports as attached.

2. Can you provide an estimated number of purchases and sales, either annually or quarterly? Can you also provide this for the number of wires in and out of the plans?

The trading volume varies by money manager and could range from 5 to 25 transactions per month per money manager. The funds are rebalanced on a bi-monthly basis for the BCERS account, or as needed based on the cash balance available. The VEBA account does not have current payments and is only rebalanced as needed to match the investment policy.

3. Do you require unitized accounting for the seven financial units that make up the BCERS?

Not at this time.

4. Do you have an estimated number of lump sum payments annually?

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5. What are the average cash/STIF balances for BCERS and VEBA?

BCERS: 3,540,000; VEBA: 213,000

6. You reference securities lending income and profit splits. In order to provide this information, can you please provide a list of detailed holdings in an excel spreadsheet with cusips and market values? What are your collateral investment guidelines for securities lending?

Please refer to the individual December 2016 Monthly Money Manager Reports as attached.

7. Are the international stock holdings held in separate assets traded on non-US exchanges, or are they held in ADRs, commingled/mutual funds?

All international holdings are commingled/mutual/collective funds.

8. What is the reason for the issue of your RFP?

We feel the competitive bidding process is an important facet of being good fiduciaries of pension plan assets.

9. Is there an updated asset list and transaction volume report we can obtain to use for more thorough pricing and securities lending revenue projection report? If not, is there a chance we can obtain an average monthly (or annual) transactions list in regards to the investment accounts that are in need of custody.

Send them an asset valuation statement. There are no foreign stocks traded on foreign exchanges.

10. Is there a reason or focus for Bay County to be going to RFP for custodial services that we can focus on in our reply? (ie: service, technology, pricing, RFP timing, etc..).

We feel the competitive bidding process is an important facet of being good fiduciaries of pension plan assets.

11. Please provide the benefit payment volumes on an average monthly or annual basis. (ie: ACH, Lump Sum, Check, etc..)

On a monthly basis, 931.5 (average, based on 11,178 total payments divided by 12. Number would include payment reversals and reissues)

12. Is the international stock portion of the portfolio actual global securities or it in the form of ADR's/Mutual Funds that are traded on domestic clearing system (ie: DTC)? If actual global securities, can we obtain a breakdown of the assets and what countries the settlements are in?

All international holdings are commingled/mutual/collective funds. There are no foreign stocks traded on foreign exchanges. Please see the attached Asset Valuation Statement.

13. We understand that fees are an important consideration. In order to provide our best quote, can you please provide a representative monthly statement showing all assets held by the custodian and all transactions?

Please refer to the individual December 2016 Monthly Money Manager Reports as attached.

14. You mention in Section V. of the RFP to provide A FLAT ANNUAL FEE. Do you want a flat dollar amount based on assumptions or a flat basis point fee for the custodianship portion of fees?

Please feel free to bid either way, and consideration will be given in the scoring process.

15. Can we provide fees for benefit payment services on a per-payment, per-transaction basis?

A Flat Rate is preferred, but please feel free to bid either way, and consideration will be given in the scoring process.

16. To assist with a securities lending revenue estimate, can you provide an Excel listing of all assets including description, CUSIP, ticker, shares/face, and market value?

Please refer to the individual December 2016 Monthly Money Manager Reports as attached.

17. Does BCERS currently participate in a securities lending program? If so, please describe any lending guidelines and reinvestment policies.

Yes, we currently utilize securities lending.

18. In Section I. of the RFP, the scope of services asks for a custodian who can calculate rate of return data. Please describe the types of performance reporting you require from a custodian.

Daily Manager Mix Reports, Funding and Disbursement Reporting, Rates of Return per overall plan and Rates of Return per money manager. Ongoing performance report detail by individual money manager.

19. Please describe the GASB reporting requirements you have.

GASB 40; 67; 68; 72; 73; 74; & 78. Or any additional GASB requirements added and are applicable to these accounts.

20. Please provide monthly or annual trading volumes (purchase/sales/maturities) for both the retirement plan and VEBA plan.

Please refer to individual December 2016 Monthly Manager Reports as attached.

21. How many incoming and outgoing wires are there annually?

Cash is rebalanced on a bi-monthly basis or as needed. Unsure as to the actual count from other money managers.

22. Do you have any unique reporting needs?

We do not believe so.

23. Do you use securities lending today?

Yes, we currently utilize securities lending.

24. How many monthly benefits are you making (On page 2 it states there are nearly 928 retirees)

931.5 (average, based on 11,178 total payments divided by 12. Number would include payment reversals and reissues)

25. How many are ACH and how many are checks?

81 checks and 850 ACH

26. How many annual lump sum payments are being made?

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27. Is securities Lending required? Mentioned in #9 under scope of services, 7(b) other services, and under fees first paragraph.

We currently utilize securities lending, please let us know if you offer it and what the split of revenue and anticipated earnings would be. If you do not offer it, that will be factored into an overall evaluation.

28. Are their foreign holdings ADR/Mutual Funds or individual securities held in foreign markets?

All international holdings are commingled/mutual/collective funds.

29. Please provide the overall market value of the 10 separately managed accounts in the Retirement System and the two separately managed accounts in the VEBA.

The market value of your 10 separately managed pension accounts is: 6 eq \$123 mil; 2 fixed \$64 mil; 1 convert \$12 mil; 1 reit \$16 mil. The VEBA has 1 eq \$8 mil and 1 fixed \$18 mil.

30. To accurately provide a securities lending estimate, please provide a spreadsheet of the individual securities in all the separately managed accounts. Security information, such as, CUSIP, security description, units/shares are required at a minimum.

Please see attached Asset Valuation Report or Monthly Money Manager Reports as attached.

31. Does the 17% market value in international stock represent actual international securities or is it represented by ADRs or collective funds?

All international holdings are commingled/mutual/collective funds.