

BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

AGENDA

TUESDAY, AUGUST 11, 2015

(Immediately Following the Retirement Board of Trustees' Meeting @ Approximately 2:30 P.M.)

**COMMISSIONERS CHAMBERS  
515 CENTER AVENUE - 4<sup>TH</sup> FLOOR  
BAY CITY, MI 48708**

PAGE	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 4 .....	1.	JULY 14, 2015
	IV.	PUBLIC INPUT
	A.	THE BOGDAHN GROUP 2 <sup>nd</sup> QUARTER REPORT
		1. HOWARD POHL AND PETER BROWN
5 - 18 .....	B.	MONTHLY REPORTS - RES No. 2015 - 11
	1.	PORTFOLIO VALUE 1/01/15 -7/31/15
	2.	CHANGE IN BOOK AND MARKET VALUE -6/30/15
	3.	MONEY MANAGERS ON WATCH - (Effective Date)
	1.	ATALANTA SOSNOFF - 5/12/15
	4.	MONEY MANAGER REPORTS
	a.	ATALANTA SOSNOFF - ENDING -6/30/15
	b.	C.S. MCKEE - ENDING - 6/30/15
	5.	RECAPTURE SERVICES
	a.	CAPIS - 6/30/15
	6.	VEBA YTD BUDGET REPORT 7/31/15
	7.	APPROVED EXPENSES -7/31/15
19 - 20 .....	C.	REVISED INVESTMENT MANAGER FEE SCHEDULES RES. NO. 2015- 12
21 - 22 .....	D.	BUDGET PROPOSAL 2016
	V.	ANNOUNCEMENTS
	A.	NEXT REGULAR MEETING - TUESDAY, SEPTEMBER 8, 2015 IMMEDIATELY FOLLOWING THE RETIREMENT BOARD OF TRUSTEES MEETING AT APPROXIMATELY 2:30 P.M. , COMMISSIONERS CHAMBERS, 515 CENTER AVENUE - 4 <sup>TH</sup> FLOOR, BAY CITY, MI 48708
	VI.	UNFINISHED BUSINESS

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION**

**AGENDA**

**TUESDAY, AUGUST 11, 2015**

(Immediately Following the Retirement Board of Trustees' Meeting @ Approximately 2:30 P.M.)

**COMMISSIONERS CHAMBERS  
515 CENTER AVENUE - 4<sup>TH</sup> FLOOR  
BAY CITY, MI 48708**

- VII. NEW BUSINESS
- VIII. MISCELLANEOUS BUSINESS
- IX. ADJOURNMENT

**MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)**  
JULY 14, 2015 MINUTES VEBA

PAGE 1

**NOTE: In addition to these typed minutes, this Board meeting was also taped. These tapes are available for review in the Retirement Office.**

The meeting of the Board of Trustees was held on July 14, 2015 at 2:15 p.m. in the Commission Chambers, 4<sup>th</sup> Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. Roll was taken.

**Trustees Present:** Chairperson Gray, Mr. Brzezinski, Mr. Coonan, Ms. Goetz, Mr. Gromaski, Mr. Herek, Mr. Morse, Mr. Pett, and Mr. Starkweather.

**Trustees Absent:** None.

**Also Present:**

Consultant: The Bogdahn Group: Howard Pohl and Peter Brown.  
Secretary/Finance Officer: Crystal Hebert  
Retirement Administrator: Rebecca Marsters  
Corporation Counsel: Amber Davis-Johnson  
Attorney: Thomas Michaud  
Public: Yes

The meeting was called to order by Chairman, Steve Gray at 2:15 p.m.

MOTION 29: Moved, supported and carried to approve the minutes, as printed, from the June 9, 2015 regular meeting.

Mr. Gray called for public input. As there was no public input, he moved onto petitions and communications.

RES. NO 2015-9:

Moved, supported and carried to adopt resolution 2015-9 to receive the monthly reports Portfolio Value ending 06/30/15 (Today's value \$43.2 million), Monthly Change in Book and Market Value ending 05/31/2015, C.S. McKee performance report ending 05/31/2015, Capis Recapture services ending 05/31/2015, VEBA YTD Budget Report ending 06/30/2015, and Approved Expenses Report ending 06/30/2015.

RES. NO 2015-10:

Moved, supported and carried to adopt resolution 2015-10 to receive the compensation disclosure forms from Dodge & Cox.

MOTION 30: Moved, supported and carried to receive the VEBA proposed 2016 budget.

**MINUTES** BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (VEBA)  
JULY 14, 2015 MINUTES VEBA

PAGE 2

**ANNOUNCEMENTS:**

- A. Next regularly scheduled meeting will be Tuesday, August 11, 2015 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in Commissioner's Chambers, 515 Center Avenue - 4<sup>th</sup> Floor, Bay City, MI 48708.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:**

Mr. Pohl asked if the Board would like him to negotiate for lower fees for the VEBA as was done for the BCERS.

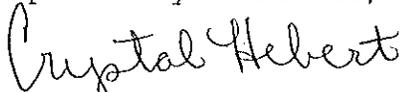
MOTION 31: Moved, supported and carried to have Mr. Pohl of The Bogdahn Group negotiate with money managers for VEBA for lower fees.

**MISCELLANEOUS BUSINESS:** None

**ADJOURNMENT:**

MOTION 32: Moved, supported and carried to adjourn the meeting at 2:25 p.m.

Respectfully submitted,



Crystal Hebert  
Finance Officer/Secretary

Transcribed by: Tracy Cederquist

**MEETING OF THE V.E.B.A. BOARD OF TRUSTEES COMMITTEE**  
**JULY 14, 2015**

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4<sup>TH</sup> FLOOR,  
 BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIR STEVE GRAY AT 2:15 P.M.

**Motions**

TRUSTEE	29	30	31	32						
BRZEZINSKI	Y	Y	Y	Y						
COONAN	Y	Y	S-Y	Y						
GOETZ	Y	Y	Y	Y						
GRAY	Y	Y	Y	Y						
GROMASKI	Y	M-Y	Y	Y						
HEREK	M-Y	S-Y	Y	S-Y						
MORSE	Y	Y	Y	Y						
PETT	S-Y	Y	M-Y	Y						
STARKWEATHER	Y	Y	Y	M-Y						

TRUSTEE	11	12	13	14	15	16	17	18	19	20
BRZEZINSKI										
COONAN										
GOETZ										
GRAY										
GROMASKI										
HEREK										
MORSE										
PETT										
STARKWEATHER										

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

**MEETING OF THE **VEBA** BOARD OF TRUSTEES COMMITTEE**  
JULY 14, 2015

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, 4<sup>TH</sup>  
 FLOOR,  
 BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIRPERSON STEVE GRAY 2:15 P.M.

**RESOLUTIONS**

TRUSTEE	9	10								
BRZEZINSKI	Y	M-Y								
COONAN	M-Y	Y								
GRAY	Y	Y								
GROMASKI	Y	Y								
HEREK	Y	Y								
MORSE	S-Y	S-Y								
PETT	Y	Y								
STARKWEATHER	Y	Y								
GOETZ										

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
8/11/2015  
RESOLUTION**

BY: BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION BOARD

RESOLVED By the Bay County Voluntary Employees' Beneficiary Association Board that the following reports are received:

1. PORTFOLIO VALUE - 1/1/15 - 7/31/15
2. CHANGE IN BOOK AND MARKET VALUE - 6/30/15
3. MONEY MANAGERS ON WATCH (Effective Date)
  - a. ATALANTA SOSNOFF - 5/12/15
4. MONEY MANAGER REPORTS
  - a. ATALANTA SOSNOFF - ENDING - 6/30/15
  - b. C.S. MCKEE - ENDING 6/30/15
5. RECAPTURES SERVICES
  - a. CAPIS - SUMMARY ENDING 4/30/15
6. REFUNDS/RETIREMENTS -ENDING 5/31/15
7. VEBA YTD BUDGET REPORT - ENDING
8. APPROVED EXPENSES - 5/31/15

STEVE GRAY, CHAIR  
AND BOARD

MONTHLY REPORTS - AUGUST

MOVED BY TRUSTEE \_\_\_\_\_  
SUPPORTED BY TRUSTEE \_\_\_\_\_

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski				Steve Gray				Jon Morse			
Kim Coonan				Richard Gromaski				Matthew Pett			
Kristal Goetz				Thomas Herek				Thomas Starkweather			

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Voice: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Disposition: Adopted \_\_\_\_\_ Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

VEBA 2015	<u>DODGE &amp; COX</u> <small>no vendor number. Mutual Fund Mgrs (as opposed to separately managed mgrs) deduct fee from portfolio.</small>	<u>CASH</u>	<u>ATALANTA SOSNOFF</u>	<u>LORD ABBOTT</u> <small>no vendor number. Mutual Fund Mgrs (as opposed to separately managed mgrs) deduct fee from portfolio.</small>	<u>CS MCKEE</u>	<u>TOTAL</u>
VENDOR #			1061		3509	
JAN	9,372,807.82	242,295.57	9,238,500.71	7,037,168.25	15,638,042.35	41,528,814.70
FEB	9,962,923.15	249,127.39	9,745,731.68	7,468,844.28	15,512,818.11	42,939,444.61
MARCH	9,503,389.19	127,069.94	9,346,981.59	7,533,533.53	16,301,909.64	42,812,883.89
APRIL	9,759,073.66	118,394.44	9,323,633.72	7,461,656.59	16,255,829.65	42,918,588.06
MAY	9,889,876.45	90,416.89	9,466,375.99	7,523,180.66	16,228,630.68	43,198,480.67
JUNE	9,746,608.25	94,887.29	9,387,431.67	7,523,180.66	16,098,961.56	42,851,069.43
JULY	9,856,782.12	122,254.13	9,694,347.47	7,541,149.89	16,187,962.71	43,402,496.32
AUG						0.00
SEPT						0.00
OCT						0.00
NOV						0.00
DEC						0.00

ATALANTA SOSNOFF                   LARGE CAP EQUITY  
CS MCKEE                               FIXED INCOME  
DODGE & COX                         LARGE CAP EQUITY  
LORD ABBETT                         SMALL MID CAP EQUITY

	<u>DODGE &amp; COX</u>	<u>ATALANTA SOSNOFF</u> VENDOR 1061	<u>ABBOTT</u>	<u>CS MCKEE</u> VENDOR 3509	<u>TOTAL</u>
<b>2015</b>					
1ST QTR		17,819.00		12,223.31	30,042.31
2ND QTR		17,525.00		12,078.61	29,603.61
3RD QTR					0.00
4TH QTR					0.00
		35,344.00		24,301.92	59,645.92

6

**Portfolio Statement**  
 1 JUN 15 - 30 JUN 15

Account Name: BAY COUNTY YEBA CONSOLIDATED  
 Account Number: ECVEBA

◆ Change in Book and Market Value

	Cost	Market value	For more information
Opening balance	36,521,448.34	43,199,838.07	
Miscellaneous Cash Receipts	577.95	577.95	See funding & disbursement summary
Sponsor Contributions	25,208.05	25,208.05	See funding & disbursement summary
Total receipts	25,786.00	25,786.00	See funding & disbursement summary
Income received	84,622.00	84,622.00	See income & expense summary, cash activity detail
Expenses paid	- 21,316.47	- 21,316.47	See income & expense summary
Unrealized gain/loss change	0.00	- 431,667.83	See asset summary
Realized gain/loss	- 3,213.13	- 3,213.13	See realized gain/loss summary
Accrued income change	- 2,954.86	- 2,954.86	See income & expense summary
Closing balance	36,604,371.88	42,851,093.78	

Northern Trust

Generated by Northern Trust from reviewed periodic data on 14 Jul 15

7

SUMMARY OF INVESTMENTS

	<u>COST</u>	<u>MARKET VALUE</u>	<u>% OF PORT.</u>	<u>EST. ANNUAL INCOME</u>	<u>CURRENT YIELD</u>
CASH AND EQUIVALENTS	182,453	182,453	1.9	349	0.19
COMMON STOCK	7,934,570	9,204,983	98.1	114,243	1.24
<b>TOTAL PORTFOLIO</b>	<b>8,117,023</b>	<b>9,387,436</b>	<b>100.0</b>	<b>114,592</b>	<b>1.22</b>

INDUSTRY ANALYSIS OF EQUITIES

	<u>MARKET VALUE</u>	<u>% OF EQUITY</u>	<u>EST. ANNUAL INCOME</u>	<u>CURRENT YIELD</u>
MATERIALS	473,215	5.1	14,458	3.06
INDUSTRIALS	997,829	10.8	20,802	2.08
CONSUMER DISCRETIONARY	1,649,981	17.9	17,421	1.06
CONSUMER STAPLES	322,948	3.5	4,226	1.31
HEALTH CARE	1,659,516	18.0	11,408	0.69
FINANCIALS	1,452,786	15.8	17,776	1.22
INFORMATION TECHNOLOGY	2,204,234	23.9	16,951	0.77
TELECOM SERVICES	179,311	1.9	0	0.00
ENERGY	265,165	2.9	11,201	4.22
<b>TOTAL EQUITIES</b>	<b>9,204,983</b>	<b>100.0</b>	<b>114,243</b>	<b>1.24</b>

∞

The portfolio above should be compared to your custodial statement.

Atlanta Sosnoff

ACCOUNT 49766 BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY  
ASSOCIATION  
MAXIMUM/STANDARD EQUITY: 100%  
PM: 100% RUSSELL 1000 GROWTH + 1%

June 30, 2015

9

The portfolio above should be compared to your custodial statement.

Atalanta Sosnoff

*BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION*

PERFORMANCE STATISTICS

Inception  
June 9, 2009  
to June 30, 2015

	<u>Three Months Ended June 30, 2015</u>	<u>Six Months Ended June 30, 2015</u>	<u>Five Years Annualized June 30, 2015</u>	<u>Total Return</u>	<u>Annualized Rate of Return</u>
<b>TOTAL</b>	<b>+0.43%</b>	<b>+1.76%</b>	<b>+12.94%</b>	<b>+98.44%</b>	<b>+11.97%</b>
Composite Index (1)	+0.12%	+3.96%	+16.89%	+144.80%	+15.92%
<b>EQUITY</b>	<b>+0.43%</b>	<b>+1.98%</b>	<b>+13.89%</b>	<b>+105.61%</b>	<b>+12.63%</b>
Russell 1000 Growth Index	+0.12%	+3.96%	+18.58%	+162.04%	+17.22%
Russell 1000 Growth Index + 1.00%	+0.36%	+4.44%	+19.58%	+175.88%	+18.22%

(1) 65% RUSSELL 1000 GROWTH / 35% BC AGGREGATE BOND thru 01/20/12 ~ 100% RUSSELL 1000 GROWTH forward

# C.S. McKee, L.P.

Account Overview

Bay County VEBA

Client Code: 90477  
 As Of Date: 6/30/2015  
 Report: Calendar

## Asset Allocation

As of 6/30/2015

Asset Class	Value (\$)	Percentage (%)
Large-Cap Equity	\$ -	0.00%
Small-Cap Equity	\$ -	0.00%
Fixed Income	\$ 15,937,159.98	99.03%
Intl Mutual Fund	\$ -	0.00%
Cash	\$ 147,651.85	0.92%
Other	\$ -	0.00%
<b>Total Portfolio:</b>	<b>\$ 16,104,811.83</b>	<b>100.00%</b>



## Performance

As of 6/30/2015

Portfolio Summary - Month-to-Date	Total Portfolio	Large-Cap Equity	Small-Cap Equity	Total Domestic Equity	Fixed Income	Intl Mutual Fund
Beginning Market Value:	16,235,605.55	-	-	-	16,235,605.55	-
Net Contributions (Distributions):	-	-	-	-	-	-
Income:	37,653.27	-	-	-	37,653.27	-
Market Appreciation (Depreciation):	(168,446.99)	-	-	-	(168,446.99)	-
Ending Market Value:	16,104,811.83	-	-	-	16,104,811.83	-
Dollar-Weighted Return:	(0.81%)	-	-	-	(0.81%)	-

### Time-Weighted Returns

Performance Start Date:	Total Portfolio	Large-Cap Equity	Small-Cap Equity	Total Domestic Equity	Fixed Income	Intl Mutual Fund
2/7/2012						
<b>MTD</b>						
Gross	(0.81%)	-	-	-	(0.81%)	-
Net	(0.83%)	-	-	-	(0.83%)	-
Benchmark	(1.09%)	-	-	-	(1.09%)	-
Value Added (Gross)	0.28%	-	-	-	0.26%	-
<b>QTD</b>						
Gross	(1.19%)	-	-	-	(1.19%)	-
Net	(1.26%)	-	-	-	(1.26%)	-
Benchmark	(1.68%)	-	-	-	(1.68%)	-
Value Added (Gross)	0.49%	-	-	-	0.45%	-
<b>YTD</b>						
Gross	0.62%	-	-	-	0.62%	-
Net	0.47%	-	-	-	0.42%	-
Benchmark	(0.10%)	-	-	-	(0.10%)	-
Value Added (Gross)	0.72%	-	-	-	0.67%	-
<b>1 Year</b>						
Gross	2.65%	-	-	-	2.65%	-
Net	2.34%	-	-	-	2.37%	-
Benchmark	1.88%	-	-	-	1.88%	-
Value Added (Gross)	0.77%	-	-	-	0.81%	-
<b>3 Year</b>						
Gross	2.35%	-	-	-	2.35%	-
Net	2.04%	-	-	-	2.12%	-
Benchmark	1.83%	-	-	-	1.83%	-
Value Added (Gross)	0.52%	-	-	-	0.60%	-
<b>5 Year</b>						
Gross	0.00%	-	-	-	0.00%	-
Net	0.00%	-	-	-	0.00%	-
Benchmark	0.00%	-	-	-	0.00%	-
Value Added (Gross)	0.00%	-	-	-	0.00%	-
<b>LTD</b>						
Gross	2.57%	-	-	-	2.67%	-
Net	2.28%	-	-	-	2.38%	-
Benchmark	2.11%	-	-	-	2.11%	-
Value Added (Gross)	0.46%	-	-	-	0.56%	-

2/7/2012  
BCAGG 100%

Total Portfolio

Large-Cap Equity

Mid-Cap Equity

Small-Cap Equity

Total Domestic Equity

2/7/2012  
BCAGG 100%

Fixed Income

Intl Mutual Fund



# Bay County Michigan

08/05/2015 16:50  
RMarsters

BAY COUNTY, MI  
YEAR-TO-DATE BUDGET REPORT

P 1  
glytbdud

FOR 2015 07

ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
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7360 PUBLIC EMPLOYEE HEALTH CARE

73627401 VOL.EMPLOYEE BENEF.ASSOC.BOARD

PA FUND BALANCE, NET AS

73627401 40001 FUND BALANCE	0	0	.00	.00	.00	.0%
73627401 40004 NET ASSETS - RESERV	1,343,339	1,343,339	.00	.00	1,343,339.00	.0%
<b>TOTAL FUND BALANCE, NET AS</b>	<b>1,343,339</b>	<b>1,343,339</b>	<b>.00</b>	<b>.00</b>	<b>1,343,339.00</b>	<b>.0%</b>

RJ LOCAL UNIT CONTRIBUT

73627401 59401 ER CONTR-BEHAVE.HEA	0	0	.00	.00	.00	.0%	
73627401 59402 ER CONTR-MOSQUITO C	0	0	.00	.00	.00	.0%	
73627401 59403 ER CONTR-HEALTH FUN	0	0	.00	.00	.00	.0%	
73627401 59404 ER CONTR-ROAD COMM	0	0	.00	.00	.00	.0%	
73627401 59405 ER CONTR-LIBRARY	0	0	.00	.00	.00	.0%	
73627401 59406 ER CONTR-GOLF COURS	0	0	.00	.00	.00	.0%	
73627401 59407 ER CONTR-GENERAL FU	0	0	.00	.00	.00	.0%	
73627401 59408 ER CONTR-DWS	0	0	.00	.00	.00	.0%	
73627401 59409 ER CONTR-911 SERVIC	-38,200	-38,200	-15,444.71	-2,498.40	-22,755.29	40.4%*	
73627401 59410 ER CONTR-CHLD CARE	0	0	.00	.00	.00	.0%	
73627401 59411 ER CONTR-DIV ON AGI	0	0	.00	.00	.00	.0%	
73627401 59412 ER CONTR-RETIRE SYS	0	0	.00	.00	.00	.0%	
73627401 59413 ER CONTR-GYPSY MOTH	0	0	.00	.00	.00	.0%	
73627401 59415 ER CONTR-HOME REHAB	0	0	.00	.00	.00	.0%	
73627401 59416 ER CONTR-100% TAX P	0	0	.00	.00	.00	.0%	
73627401 59418 ER CONTR-MED CARE F	0	0	.00	.00	.00	.0%	
73627401 59419 ER CONTR-SELF INSUR	-310,000	-310,000	-105,114.37	-18,709.65	-204,885.63	33.9%*	
73627401 59422 ER CONTR-COMM CORRE	0	0	.00	.00	.00	.0%	
73627401 59427 ER CONTR-F.O.C. FUN	0	0	.00	.00	.00	.0%	
73627401 59429 ER CONTR-HOUSING FU	0	0	.00	.00	.00	.0%	
73627401 59430 ER CONTR-SOLDIER RE	0	0	.00	.00	.00	.0%	
73627401 59433 ER CONTR-SHERIFF DE	0	0	.00	.00	.00	.0%	
<b>TOTAL LOCAL UNIT CONTRIBUT</b>	<b>-348,200</b>	<b>-348,200</b>	<b>-144,559.08</b>	<b>-25,208.05</b>	<b>-203,640.92</b>	<b>41.5%</b>	
<b>RP INTEREST &amp; RENTALS</b>							
73627401 66400 INVESTMENT INTEREST	-500,000	-500,000	-255,402.88	-174,880.48	.00	-244,597.12	51.1%*

H

# Bay County, Michigan

08/05/2015 16:50  
RMaster

BAY COUNTY, MI  
YEAR-TO-DATE BUDGET REPORT

P  
glytbdud  
2

FOR 2015 07

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73627401 66500 GAIN ON SALE OF INV	-1,100,000	-1,100,000	-842,913.86	-293,218.84	.00	-257,086.14	76.6%
73627401 66501 UNREALIZED GAIN ON	0	0	.00	.00	.00	.00	.0%
TOTAL INTEREST & RENTALS	-1,600,000	-1,600,000	-1,098,316.74	-468,099.32	.00	-501,683.26	68.6%
RR OTHER REVENUE							
73627401 67104 MISCELLANEOUS REVENU	0	0	.00	-577.95	.00	3,964.10	100.0%
73627401 69000 COMMISSION RECAPTUR	0	0	-3,964.10	-577.95	.00	3,964.10	100.0%
TOTAL OTHER REVENUE	0	0	-3,964.10	-577.95	.00	3,964.10	100.0%
XE WAGES & SALARIES							
73627401 71000 PER DIEM	360	360	.00	.00	.00	360.00	.0%
TOTAL WAGES & SALARIES	360	360	.00	.00	.00	360.00	.0%
XI SUPPLIES							
73627401 72700 OFFICE SUPPLIES	100	100	.00	.00	.00	100.00	.0%
73627401 72800 PRINTING AND BINDIN	150	150	.00	.00	.00	150.00	.0%
73627401 72900 POSTAGE	100	100	4.34	.00	.00	95.66	4.3%
73627401 75100 COMPUTER SUPPLIES	50	50	.00	.00	.00	50.00	.0%
TOTAL SUPPLIES	400	400	4.34	.00	.00	395.66	1.1%
XL OTHER SERVICES AND C							
73627401 80100 PROFESSIONAL SERVIC	100,000	100,000	59,645.92	29,603.61	.00	40,354.08	59.6%*
73627401 80101 ACTUARIAL SERVICES	37,000	37,000	39,300.00	.00	.00	-2,300.00	106.2%*
73627401 81400 INVESTMENT/BANK SER	30,000	30,000	15,100.84	8,122.32	.00	14,899.16	50.3%
73627401 81700 LEGAL FEES	7,500	7,500	.00	.00	.00	7,500.00	.0%
73627401 81900 CONSULTANTS	30,000	30,000	10,875.00	3,625.00	.00	19,125.00	36.3%
73627401 86800 LOCAL TRAVEL MILEAG	0	0	.00	.00	.00	.00	.0%
73627401 94601 EQUIPMENT RENTAL-CO	55	55	.00	.00	.00	55.00	.0%

15

# Bay County Michigan

FOR 2015 07

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73627401 95600	6,046	6,046	3,501.38	508.93	.00	2,544.62	57.9%
73627401 96200	391,000	391,000	221,124.85	161,968.33	.00	169,875.35	56.6%
73627401 96201	0	0	.00	.00	.00	.00	.0%
73627401 96500	2,500	2,500	2,937.45	2,937.45	.00	-437.45	117.5%*
TOTAL OTHER SERVICES AND C	604,101	604,101	352,485.24	206,765.64	.00	251,615.76	58.3%
TOTAL VOL. EMPLOYEE BENEF. ASSOC. BO	0	0	-894,350.34	-287,119.68	.00	894,350.34	100.0%
TOTAL PUBLIC EMPLOYEE HEALTH CARE	0	0	-894,350.34	-287,119.68	.00	894,350.34	100.0%
TOTAL REVENUES	-604,861	-604,861	-1,246,839.92	-493,885.32	.00	641,978.92	
TOTAL EXPENSES	604,861	604,861	352,489.58	206,765.64	.00	252,371.42	
GRAND TOTAL	0	0	-894,350.34	-287,119.68	.00	894,350.34	100.0%

\*\* END OF REPORT - Generated by Rebecca Marsters \*\*

# Bay County Michigan

08/05/2015 16:50  
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BAY COUNTY, MI  
YEAR-TO-DATE BUDGET REPORT

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## REPORT OPTIONS

Sequence	Field #	Total	Page Break
1	1	Y	N
2	9	Y	N
3	10	Y	N
4	0	N	N

Report title: BUDGET REPORT  
YEAR-TO-DATE BUDGET REPORT

Print Full or Short description: F  
Print MID Version: Y  
Print Revenues-Version headings: N  
Format type: 1  
Print revenue budgets as zero: N  
Include Fund Balance: N  
Include requisition amount: N  
Multiyear view: D

Year/Period: 2015/ 7  
Print revenue as credit: Y  
Print totals only: N  
Suppress zero bal accts: N  
Print full GL account: N  
Double space: N  
Roll projects to object: N  
Carry forward code: 1  
Print journal detail: N  
From Yr/Per: 2014/ 7  
To Yr/Per: 2014/ 7  
Include budget entries: Y  
Incl encumb/liq entries: Y  
Sort by JE # or PO #: J  
Detail format option: 1

Find Criteria  
Field Name Field Value

Fund 7360

FUNCTON  
ACTIVITY  
SPECIAL CODE  
SPECIAL COD2  
Character Code  
Org  
Object  
Project  
Account type  
Account status  
Rollup Code

17

VEBA Invoices Approved: July

Invoice Date	Vendor	Amount	Description
7/1/2015	Bogdahn Group	\$ 3,625.00	Q3 performance evaluation
6/16/2015	Atalanta Sosnoff	\$ 17,525.00	Q2 money manager fee
7/9/2015	CS McKee	\$ 12,078.61	Q2 money manager fee
7/26/2015	Johnston Lewis Associates	\$ 2,937.45	Fiduciary Liability policy

**Bay County VEBA  
Investment Manager  
Fee Analysis  
As of July 21, 2015**

<b>Manager</b>	<b>Standard Fee</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
<b>Atalanta Sosnoff</b> \$9.4M LCG	100 bp	75 bp	50 bp
<b>C.S. McKee</b> \$16.1M FI Agg	35 bp 30 bp 25 bp	1st \$10M Next \$15M > \$25M	30 bp 30 bp 1st \$20M 25 bp > \$20M
<b>Dodge &amp; Cox (DODGX)</b> \$9.7M LCV	52 bp	Same	Same*
<b>Lord Abbett (LVOYK)</b> \$7.5M SMIDV	92 bp	92 bp	79 bp**

\* Only one share class offered

\*\* Moving from Institutional to R6 share class (LVOVX)

**BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION  
8/11/2015  
RESOLUTION**

BY: BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION BOARD

WHEREAS, The Bogdahn Group was asked by the Board at the July 14, 2015 meeting to review current fee schedules and negotiate lower fees with the investment managers for the Voluntary Employees' Beneficiary Association (VEBA)

WHEREAS, The following lower fees have been negotiated:

<u>MANAGER</u>	<u>STANDARD FEE</u>	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Atalanta Sosnoff	100 bp	75 bp	50 bp
C.S. McKee	35 bp 1 <sup>st</sup> \$10M	30 bp	30 bp 1 <sup>st</sup> 20M
\$16.1M FI Agg	30 bp Next \$15M		25 bp > \$20M
	25 bp >\$25M		

WHEREAS, Lord Abbett (LVOYK) will move to a new, lower fee R6 share class

Lord Abbett (LVOYK) \$7.5M SMIDV	92 bp	92 bp	79 bp **
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\*\* Moving from Institutional to R6 share class (LVOYX)

WHEREAS, The yearly fee savings for the VEBA Plan is about \$33,249 based on June 30 values.

RESOLVED That the Bay County Voluntary Employees' Beneficiary Association Board approve the new fee schedules for Atalanta Sosnoff and C.S. McKee and the share class change for Lord Abbett. Be it Further,

RESOLVED That the Chairman of the Board is authorized to execute the agreement and all related documents on behalf of the Bay County Voluntary Employees' Beneficiary Association Board following legal review/approval

STEVE GRAY, CHAIR  
AND BOARD

**REVISED INVESTMENT MANAGER FEES**

MOVED BY TRUSTEE \_\_\_\_\_  
SUPPORTED BY TRUSTEE \_\_\_\_\_

TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Y	N	E
Richard Brzezinski				Steve Gray				Jon Morse			
Kim Coonan				Richard Gromaski				Matthew Pett			
Kristal Goetz				Thomas Herek				Thomas Starkweather			

Vote Totals:

Roll Call: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_  
Voice: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Excused \_\_\_\_\_

Disposition: Adopted \_\_\_\_\_ Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_  
Amended \_\_\_\_\_ Corrected \_\_\_\_\_ Referred \_\_\_\_\_

# Bay County Michigan

08/06/2015 11:13  
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BAY COUNTY, MI  
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

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PROJECTION: 2016 2016 BUDGET PROJECTION

FOR PERIOD 99

ACCOUNTS FOR: PUBLIC EMPLOYEE HEALTH CARE

	2014 ACTUAL	2015 ORIG BUD	2015 REVISED BUD	2015 ACTUAL	2015 PROJECTION	2016 DEPARTMENT CHANGE	PCT CHANGE
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73627401 VOL. EMPLOYEE BENEF. ASSOC. BOARD

RA FUND BALANCE, NET AS	.00	1,343,339.00	1,343,339.00	.00	1,343,339.00	1,685,865.00	25.5%
73627401 40004 NETASRSRSV	.00	1,343,339.00	1,343,339.00	.00	1,343,339.00	1,685,865.00	25.5%
TOTAL FUND BALANCE, NET AS	.00	1,343,339.00	1,343,339.00	.00	1,343,339.00	1,685,865.00	25.5%

RJ LOCAL UNIT CONTRIBUT	-231,229.00	.00	.00	.00	.00	-250,000.00	.0%
73627401 59401 EMRCONBABH	-231,229.00	.00	.00	.00	.00	-250,000.00	.0%
73627401 59406 EMPLRCONIB	.00	.00	.00	.00	.00	-48,000.00	.0%
73627401 59409 EMRCONDWS	-22,206.35	-38,200.00	-38,200.00	-15,444.71	-38,200.00	-32,000.00	-16.2%
73627401 59419 EMRCONMCP	-429,104.06	-310,000.00	-310,000.00	-105,114.37	-310,000.00	-250,000.00	-19.4%
TOTAL LOCAL UNIT CONTRIBUT	-682,539.41	-348,200.00	-348,200.00	-144,559.08	-348,200.00	-580,000.00	66.6%

RP INTEREST & RENTALS	-1,706,520.92	-500,000.00	-500,000.00	-255,402.88	-500,000.00	-500,000.00	.0%
73627401 66400 INVINTRDIV	-1,706,520.92	-500,000.00	-500,000.00	-255,402.88	-500,000.00	-500,000.00	.0%
73627401 66500 INVTSGAIN	-1,178,826.82	-1,100,000.00	-1,100,000.00	-842,913.86	-1,100,000.00	-1,200,000.00	9.1%
73627401 66501 UNRLZDGAIN	-592,515.96	.00	.00	.00	.00	.00	.0%
TOTAL INTEREST & RENTALS	-3,477,863.70	-1,600,000.00	-1,600,000.00	-1,098,316.74	-1,600,000.00	-1,700,000.00	6.3%

RR OTHER REVENUE	-3,238.15	.00	.00	-3,964.10	.00	-6,900.00	.0%
73627401 69000 COMMREGAPT	-3,238.15	.00	.00	-3,964.10	.00	-6,900.00	.0%
TOTAL OTHER REVENUE	-3,238.15	.00	.00	-3,964.10	.00	-6,900.00	.0%

XE WAGES & SALARIES	.00	360.00	360.00	.00	360.00	360.00	.0%
73627401 71000 PER DIEM	.00	360.00	360.00	.00	360.00	360.00	.0%
TOTAL WAGES & SALARIES	.00	360.00	360.00	.00	360.00	360.00	.0%

XI SUPPLIES	.00	100.00	100.00	.00	100.00	100.00	.0%
73627401 72700 OFFICE SUP	.00	100.00	100.00	.00	100.00	100.00	.0%

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# Bay County, Michigan

08/06/2015 11:13  
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BAY COUNTY, MI  
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

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PROJECTION: 2016 2016 BUDGET PROJECTION FOR PERIOD 99

ACCOUNTS FOR:

PUBLIC EMPLOYEE HEALTH CARE	2014 ACTUAL	2015 ORIG BUD	2015 REVISED BUD	2015 ACTUAL	2015 PROJECTION	2016 DEPARTMENT	PCT CHANGE
73627401 72800	.00	150.00	150.00	.00	150.00	150.00	.0%
73627401 72900	.00	100.00	100.00	4.34	100.00	100.00	.0%
73627401 75100	.00	50.00	50.00	.00	50.00	50.00	.0%
TOTAL SUPPLIES	.00	400.00	400.00	4.34	400.00	400.00	.0%

OTHER SERVICES AND C PROFESSNL	2014 ACTUAL	2015 ORIG BUD	2015 REVISED BUD	2015 ACTUAL	2015 PROJECTION	2016 DEPARTMENT	PCT CHANGE
73627401 80100	111,149.97	100,000.00	100,000.00	59,645.92	100,000.00	130,000.00	30.0%
73627401 80101	.00	37,000.00	37,000.00	39,300.00	37,000.00	39,300.00	6.2%
73627401 81400	27,441.36	30,000.00	30,000.00	15,100.84	30,000.00	30,000.00	.0%
73627401 81700	.00	7,500.00	7,500.00	.00	7,500.00	7,500.00	.0%
73627401 81900	14,500.00	30,000.00	30,000.00	10,875.00	30,000.00	30,000.00	.0%
73627401 94601	.00	55.00	55.00	.00	55.00	55.00	.0%
73627401 95600	.00	6,046.00	6,046.00	3,501.38	6,046.00	10,420.00	72.3%
73627401 96200	321,756.06	391,000.00	391,000.00	221,124.65	391,000.00	350,000.00	-10.5%
73627401 96500	2,763.90	2,500.00	2,500.00	2,937.45	2,500.00	3,000.00	20.0%

TOTAL OTHER SERVICES AND C TOTAL VOL.EMPLOYEE BENEF ASS TOTAL PUBLIC EMPLOYEE HEALTH	2014 ACTUAL	2015 ORIG BUD	2015 REVISED BUD	2015 ACTUAL	2015 PROJECTION	2016 DEPARTMENT	PCT CHANGE
TOTAL OTHER SERVICES AND C	477,611.29	604,101.00	604,101.00	352,485.24	604,101.00	600,275.00	-.6%
TOTAL VOL.EMPLOYEE BENEF ASS	-3,686,029.97	.00	.00	-894,350.34	.00	.00	.0%
TOTAL PUBLIC EMPLOYEE HEALTH	-3,686,029.97	.00	.00	-894,350.34	.00	.00	.0%
TOTAL REVENUE	-4,163,641.26	-604,861.00	-604,861.00	-1,246,839.92	-604,861.00	-601,035.00	.0%
TOTAL EXPENSE	477,611.29	604,861.00	604,861.00	352,489.58	604,861.00	601,035.00	.0%
GRAND TOTAL	-3,686,029.97	.00	.00	-894,350.34	.00	.00	.0%

\*\* END OF REPORT - Generated by Rebecca Marsters \*\*