BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, FEBRUARY 11, 2014 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

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BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA
TUESDAY, FEBRUARY 11, 2014 @ 1:30 P.M.
COMMISSIONERS CHAMBERS
515 CENTER AVENUE - 4TH FLOOR
BAY CITY, MI 48708

I. PURCHASE OF PREVIOUS SERVICE CREDIT

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J. APPLICATION FOR SERVICE RETIREMENT - WAIVER

------- 1. LOUISE LASKY-BARTH - BAY MEDICAL CARE REQUESTING A WAIVER OF 30 DAY REQUIREMENT

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VI. ANNOUNCEMENTS

A. NEXT REGULAR MEETING - MARCH 11, 2014 AT 1:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE 4TH FLOOR, BAY CITY, MI 48708

VII. UNFINISHED BUSINESS

1. CORE REAL ESTATE MANAGER SELECTION

VIII. NEW BUSINESS

IX. MISCELLANEOUS BUSINESS

X. ADJOURNMENT

A meeting of the Board of Trustees was held on January 14, 2014 at 10:00 a.m. in the Bay County Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan.

Trustees Present: Chairperson Gray, Mr. Gromaski, Mr. Herek, Mr. Morse, Mr. Pett, Mr. Starkweather, and Ms. Zielinski.

Trustees Absent: Mr. Brzezinski and Mr. Coonan.

Also Present:
Consultant: The Bogdahn Group(formerly Becker, Burke Assoc.): Jeff Black and Howard Pohl
Finance Officer: Crystal Hebert
Retirement Administrator: Janie Tacey
Recorder: Eliza Cortez

The meeting was called to order by Chairman Gray at 10:01 a.m. As Secretary of the Retirement Board, Ms. Crystal Hebert is responsible for conducting the election of officers for 2014. Chairman Gray turned the meeting over to Ms. Hebert, Finance Officer/Secretary.

Ms. Hebert opens the floor to nominations for Chairperson.

1. Moved and supported to nominate Steve Gray for the position of Chairman of the Bay County Employees' Retirement System for 2014.

Mr. Gray accepts. There are no other nominations.

2. Moved, supported and carried to close the nominations and cast a unanimous ballot for Steve Gray to be Chairperson of the Board of Trustees for 2014.

Ms. Herbert opens the floor to nominations for Vice-Chairperson.

3. Moved and supported to nominate Richard Brzezinski for the position of Vice-Chairperson for 2014.

Mr. Brzezinski is not present today, but Chairman Gray advised that he has a letter from Mr. Brzezinski stating the would be willing to serve as Vice-Chairperson for 2014. There are no other nominations.

4. Moved, supported and carried to close the nominations and cast a unanimous ballot for Richard Brzezinski to be Vice-Chairman of the Board of Trustees for 2014.

Ms. Hebert turns the meeting over to the Chairperson, Mr. Gray. Mr. Gray states he must leave the meeting to attend a funeral and asks for a motion to excuse not only Trustees Brzezinski and Coonan, but also himself.

5. Moved, supported and carried to excuse Trustees Brzezinski, Coonan, and Chairman Gray.

Chairman Gray requests that a nomination be held for a Trustee to act as temporary Chair to run this meeting.

6. Moved, supported and carried to have Thomas Starkweather conduct this meeting.

The Chairman turns the meeting over to Mr. Starkweather and departs.

Mr. Starkweather called for public input. There is none and he moved on to the interviews for a Core Real Estate Investment Manager.

Present today are Ryan McNamara, Amanda Wilson and Michael Duignan from **JP Morgan Asset Management**. A copy of their presentation was provided to all Trustees, in advance, via the web.

They discussed their presence in the state of Michigan including business highlights and community initiatives. They have been investing on behalf of institutional clients in U.S. Core Real Estate for over 40 years. They currently have $70.8 billion in assets under management including $9.0 billion in the public market. They discussed their team of professionals, and their individual expertise. A unanimous vote is required to approve acquisitions and dispositions and the process they go through when making that decision was explained.

They discussed their incoming and outgoing queues and Mr. Duignan stated if choose to invest with them we would have to wait a little bit longer to come to their fund. The entry queue is approximatley 4-5 quarters. Their presentation covered their fund performance from inception in 1998 through 2012.

They answered questions, concluded their presentation and departed.

The next presenters are Michelle Fang and John Berg from **Principal Real Estate Investors**, based in Des Moine, Iowa. A copy of their presentation was provided to all Trustees, in advance, via the web.

Ms. Fang gave an overview of the company. Principal Real Estate Investors is a wholly dedicated real estate investment advisor on four principal financial groups. They are a part of Principal Global Investors, which is the asset management arm of Principal Financial. The model they follow is the four quadrant real estate platform which is Private Equity, Private Debt, Public Equity and Public Debt. They have an investment committee that reviews each deal that comes through this fund and is comprised of leaders from each of those quadrants. They also have a shared research group that goes across all four quadrants.

John Berg discussed their philosophy, strategy and performance. They are big enough to have diversification characteristics, but also small enough that they can be very nimble in the investment markets. They talked about their entry and exit queues. The entry queue is approximately two quarters. The exit is

done on a pro-rata redemption and could take up to 2 years for the client to get all their money out. They are a publicly held company with a diverse shareholder base. They answered questions, concluded their presentation and departed.

The next presenters are Jerry Aversano and Joanna Mulford from **Prudential Real Estate Investors**, Madison, New Jersey. A copy of their presentation was provided to all Trustees, in advance, via the web. Mr. Aversano gave an overview of the company stating they have been around for about 135 years. This particular fund, which has been around since 1970, has about 280 clients with 3/4 of those being pension plans similar to Bay County. They vary between corporate plans and public plans.

Ms. Mulford states that as a Core Fund they are income focused. Their benchmark is the NFI-ODCE Index. She discussed PRISA which is an open-end, commingled core real estate fund and the dedicated portfolio management team. She reviewed the PRISA LP performance as of September 30, 2013 in which they out performed the benchmark. She reviewed their risk metrics and their debt picture.

Mr. Aversano summed up by saying that Prudential is a fiduciary, a real estate investor with a long track record of success and stability since 1970. They have an insurance company for a parent, not an investment bank, they have low volatility within the organization and this fund has delivered 7.9% income returns since 1970.

They answered questions regarding queues to get in and out. The entry queue was about 5 quarters. Ms. Mulford discussed their fees stating their fee structure has several components. Overall they are lower than their competitors. They concluded their presentation and departed.

Discussion:
Trustee suggested that our consultant develop a matrix of these three presentations for trustees to review. Mr. Pohl states that a summary was provided to all trustees back in October when Mary Nye presented five managers for consideration. The notebook provided information on each organization, their portfolio management, personnel, fees, and enter/exit queue information. Toward the end there is a section on performance. That information was from June, but it doesn't change that much.

Performance is relatively close and past performance is not an indicator of future performance. Mr. Pohl suggests that the Board review some of the points suggested by Mr. Starkweather and ask themselves what is comfortable for Bay County. Do we want more diversification, more non core or none, consideration of wait times on the queues. These are probably the more significant drivers along with consideration of fees. Jeff will provide a copy of that summary to Bay County so we can put it on the county web site. Trustees can then access it through the web page for their review.

There was more discussion on the liquidity of real estate, the queues, and the 5% allocation to this fund which will go to one of these firms.

ADJOURNMENT:

7. Moved, supported and carried to adjourn the meeting at 12:34 p.m.

Respectfully submitted,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

Transcribed by: Naomi Wallace

MEETING OF THE **BCERS** BOARD OF TRUSTEES COMMITTEE
JANUARY 14, 2014

CORE REAL ESTATE MANAGER INTERVIEWS

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

MEETING CALLED TO ORDER BY: CHAIRPERSON STEVE GRAY AT 10:01 A.M.

TRUSTEE	1	2	3	4	5	6	7	8	9	10
BRZEZINSKI	E	E	E	E	E	E	E			
COONAN	E	E	E	E	E	E	E			
GRAY	Y	Y	Y	Y	Y	Y	E			
GROMASKI	Y	M	Y	Y	Y	Y	Y			
HEREK	Y	Y	M	M	Y	Y	Y			
MORSE	Y	Y	Y	Y	Y	Y	S			
PETT	S	S	S	S	S	S	M			
STARKWEATHER	M	Y	Y	Y	Y	Y	Y			
ZIELINSKI	Y	Y	Y	Y	Y	Y	Y			

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

A meeting of the Board of Trustees was held on January 14, 2014 at 1:30 p.m. in the Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. Roll call taken.

Trustees Present: Chairperson Gray, Mr. Gromaski, Mr. Herek, Mr. Morse, Mr. Pett, Mr. Starkweather, and Ms. Zielinski.

Trustees Absent: Mr. Brzezinski

Also Present:
Consultant: The Bogdahn Group(formerly Becker, Burke Assoc.): Jeff Black and Howard Pohl
Finance Officer: Crystal Hebert
Retirement Administrator: Janie Tacey
Personnel Director: Tim Quinn
Corporation Counsel: Martha Fitzhugh
Recorder: Eliza Cortez

The meeting was called to order by Chairman, Steve Gray at 1:40 p.m.

1. Moved, supported and carried to excuse Trustee Brzezinski.

2. Moved, supported and carried to approve the minutes, as presented, from the December 10, 2013 regular meeting.

Mr. Gray called for public input as members from the public are present. There is no input and he moved on to petitions and communications.

Present today is Mr. Clay Lindsey from Eagle Asset Management, Small Cap Growth manager from St. Petersburg, Florida to present the performance report. A copy was provided to all Trustees, in advance, via the web.

The report we received includes the updated composite numbers for December (pages 20 and 21). Page 2 listed investment objectives as of September 30, 2013. Mr. Lindsey gave some updates as of December 2013. There were a few redemptions at the end of the year. He gave an overview of their investment philosophy, their investment process and their risk management/sell discipline.

A contributor to the portfolio was consumer discretionary and the detractors to the portfolio were information technology and health care. Mr. Lindsey answered questions, concluded his presentation, and departed.

3. Moved, supported and carried to receive the performance report from Eagle Asset Management.

4. Moved, supported and carried to receive Portfolio Value from 1/1/13 to 12/31/13. The value as of January 13, 2014 is $293 million.

5. Moved, supported and carried to receive portfolio reports from Cornerstone, Geneva Capital (11/30/13 and 12/31/13), Hotchkis & Wiley,

Loomis Sayles, MFS Investment, and MacKay Shields, all ending 11/30/13.

6. Moved, supported and carried to receive the report from ConvergEx ending 11/30/13.

Discussion: Our consultant, advised that just before Christmas they learned that the FCC has sanctioned ConvergEx. The FCC investigation report uses very strong language against ConvergEx. The FCC found that in certain kinds of trades where an entire portfolio is sold to another manager, ConvergEx was adding extra costs and gaining tremendous amounts of money that they should not have. As a result of that, they are no longer in the transition business. Bay County uses this company for commission recapture where our money managers place trades through their trading desk and we get a portion of that commission back. Nothing in the investigation indicated that there was anything going on in regards to the type of trading we are doing.

When Becker, Burke heard of this they, and their partner, Bogdahn immediately set up a tele-conference with representatives of ConverEx. They heard all the explanations and about the staff who had been dismissed. Becker Burke sees some options here. Bay County can continue with ConvergEx but also select another one. The second one would be in place if we decide to terminate ConvergeEx. So, we could have just one, or have two in place. Mr. Pohl's thinking leans toward having only one.

This board does not need to take any action today on terminating the contract with ConvergEx. Just from an appearance standpoint, when there are other viable alternatives that don't have potential headlines risk, we don't need it. No one could have anticipated this but we do not need to continue with this relationship. Becker, Burke suggested that at the February meeting they can present some alternatives to ConvergEx to this Board.

At last months meeting this Board approved the addendum to our agreement with them to approve new rates in respect to the brokerage transactions. It is still in our possession and has not yet been signed.

A motion made to have Becker Burke present several alternatives to ConvergEx. As fiduciary to this Board and to the Bay County Retirement System Mr. Black feels it would make sense to distance ourselves from ConvergEx. Concerns were expressed that perhaps other companies could be doing the same thing. Mr. Pohl explained that the recapture business is pretty straight forward in that the trade is made, the commission is issued and the money managers see it. There is no room to mess with this, it is very, very straight forward. This incident was very esoteric in how they routed orders around through subsidiaries. Bay County is not involved in that. Potentially, other companies might be able to do this, but it was pretty sophisticated. In the meantime, from a fiduciary standpoint, and a confidence standpoint we may want to consider a change.

Ms. Fitzhugh suggested that the Board may wish to offer a motion to rescind entering into the Amendment to the Recapture Schedule. Trustee offered that

perhaps we should hear about alternatives from Becker Burke before we rescind the amendment.

7. Moved, supported and carried to have our consultant, The Bogdahn Group present to this Board alternative companies that also perform commission recapture services.

8. Moved and supported to rescind the action taken on December 10, 2013 authorizing the extension of our contract with ConvergEx.

Discussion:

Ms. Hebert states that the action taken last month was not for an extension of the contract, but rather to approve an amendment to their fee schedule.

There is no opposition, so motion carries.

Ms. Fitzhugh comments that the new Commission Recapture Schedule in place with respect to brokerage transactions states that *"Pursuant to this agreement, we will refund to the Fund a percentage of the commission paid directly to ConvergEx, as per the below Schedule."* There is no term. The effective date was December 1, 2013 so she is not certain but assumes that the new rates are already in effect. Mr. Gray comments that perhaps another 30 days won't matter if we let this go.

Mr. Pohl clarifies that this amendment is a new schedule of the amount that they will refund to Bay County which will be a little more than what we used to get. Ms. Fitzhugh states that whatever action we take on this amendment does not commit us to a longer term with this firm. The rate difference is not that significant either. This Board did approve the amendment to the rate schedule, so they may want to consider rescinding the approval. Mr. Pohl offers that the only reason we would want to this sign this amendment is that we would continue to utilize them and have another firm for the money managers to utilize. Chairman Gray states that Motion #8 already rescinds the motion approved on December 10, 2013 regarding this issue.

9. Moved, supported and carried to receive Northern Trust's Summary Earnings ending 11/30/13.

10. Moved, supported and carried to receive Refunds/Retirements for the month ending 12/31/13.

11. Moved, supported and carried to receive BCERS Year-To-Date Budget report as of 1/8/14.

Item I is a draft of a proposed policy regarding Service Provider Disclosures. This issue was on last month's schedule and was tabled to this month. Ms. Fitzhugh referred to page 50 of the Agenda and felt it was acceptable as is.

On page 51 she recommended changing the first RESOLVED paragraph to read *"RESOLVED, that once every year in the month designated, the Board shall*

require each of its current "investment service providers" to disclose in writing all fees ..." The third paragraph starting with RESOLVED she recommends that the language be modified to read *"RESOLVED, that every year in the month designated the Board ..."*

Page 52, Compensation Disclosure Form, appears to be acceptable upon her first review. Page 53 the Political Contribution Disclosure Form also appears to be acceptable as written. Regarding Page 54, Code of Conduct she states it is impossible for us to customize it to this Board. However, she has read through pages 54-56 and the law does dictate a fair amount of the content that is there. She believes this document would fit with the procedures of this Board if the Board wants to support this otherwise, as the Chair suggested we can take another month to review this and come back with suggestions.

Discussion. Dialogue regarding the language *"that once very year in the month designated ..."* One trustee thought this could be confusing, one felt it was appropriate. One Trustee inquired if we have a current policy in place and if these are recommended changes to that policy. Ms. Fitzhugh responds that the new law (2012) spelled out that we should have a policy in areas such as this. Trustee had a question on the Code of Conduct language on page 55 regarding what Board members shall not do. Item (a) *"accepting or soliciting any gift, favor, or service that may reasonably tend to influence a trustee in the discharge of official duties . . ."* He wondered what the definition of these would be. Ms. Fitzhugh responds that she could review the case law which annotates specific cases and see if there is a more specific interpretation of this particular section. Another Trustee added that what he has learned is that a conflict may be perceived if a sole trustee had dinner/lunch with a service provider, but generally not if they are part of a group. Another trustee felt that the prior paragraph regarding conduct is sufficient and that the specific list a-h was unnecessary. Another trustee suggested that perhaps we should focus on the policies already voted on and table the Code of Conduct to a later date.

12. Moved and supported to approve the draft regarding Service Provider Disclosures with the changes proposed by Corporation Counsel.

Roll Call Vote:
Brzezinski: excused
Coonan - yes
Gray - yes
Gromaski- yes
Herek - yes
Morse - yes
Pett - yes
Starkweather - yes
Zielinski - yes

Motion passes.

Chairman requests that Trustees spend time reviewing the draft on Code of Conduct so this issue can be resolved next month.

Ms. Fitzhugh clarifies that she will consider the Compensation Disclosure and Political Contribution Disclosure as part of the overall policy resolution approved by this Board. Chairman Gray answers affirmatively that it is.

Item J of the agenda concerns the matter of Becker, Burke Associates, Inc. entering into an agreement pursuant to which its business will be acquired by Bogdahn Consulting, LLC. Our investment advisory contract with Becker Burke may not be assigned by Becker Burke unless this Board consents. Becker Burke is requesting that we consent to the assignment by signing a Client Consent form.

Ms. Fitzhugh has discussed this matter with Ms. Hebert and Mr. Quinn. She states if we approve this document it is her understanding that the terms of our current contract with Becker Burke will remain the same under the new ownership. This could be an opportunity to look at the contract and enter into a totally new contract, but that would be a very large project. We have been understaffed with changes in personnel and this would be quite a project for new personnel coming in. She does not see any problem with the document presented only that it would cause us to put off the opportunity to negotiate.

Mr. Pohl states the Client Consent is basically an assignment that takes our current contract and assigns it to The Bogdahn Group. The acquisition of Becker Burke was effective January 1, 2014. The SEC mandates that client consent be part of the document. Generally, fees are higher than what Bay County is paying. This contract states that our fees will remain the same for the next two years.

13. Moved, supported and carried to approve the Client Consent form as presented allowing Becker Burke to assign our current contract to The Bogdahn Group.

14. Moved, supported and carried to receive the Resolution dated December 10, 2013 that effective January 1, 2014 Kristal Zielinski and Matthew Pett shall be deemed elected to the Board of Trustees both for the term January 1, 2014 through December 31, 2016.

15. Moved, supported and carried to receive the Notice of Public Meetings for 2014.

ANNOUNCEMENTS:

A. Next regularly scheduled meeting will be Tuesday, February 11, 2014 at 1:30 P.M. in Commissioner's Chambers, 515 Center Avenue - 4th Floor, Bay City, MI 48708.

UNFINISHED BUSINESS:

Mr. Quinn, Personnel Director announced that Naomi Wallace has tendered her resignation. It will be effective the end of February 2014. He will have some proposed alternatives for the next meeting.

NEW BUSINESS:

Mr. Pohl advised that the President and CEO of The Bogdahn Group, Mike Welker, works with the Wayne County fund. Mr. Welker would like to attend one of our future meetings to introduce himself. Mr. Pohl wondered if this Board wanted to extend an invitation to Mr. Walter for a specific date. Chairman responds that whatever date is convenient for Mr. Welker we should be able to accommodate him.

MISCELLANEOUS BUSINESS None

ADJOURNMENT:

16. Moved, supported and carried to adjourn the meeting at 3:46 p.m.

Respectfully submitted,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

Transcribed by: Naomi Wallace

MEETING OF THE **BCERS** BOARD OF TRUSTEES COMMITTEE
JANUARY 14, 2014

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

MEETING CALLED TO ORDER BY: CHAIR STEVE GRAY AT 1:40 P.M.

TRUSTEE	1	2	3	4	5	6	7	8	9	10
BRZEZINSKI	E	E	E	E	E	E	E	E	E	E
COONAN	Y	Y	Y	Y	M	Y	S	S	Y	M
GRAY	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
GROMASKI	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
HEREK	Y	S	M	Y	Y	Y	Y	Y	Y	Y
MORSE	Y	Y	S	S	Y	S	Y	Y	S	S
PETT	S	Y	Y	M	Y	M	Y	Y	M	Y
STARKWEATHER	M	M	Y	Y	Y	Y	M	M	Y	Y
ZIELINSKI	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

TRUSTEE	11	12	13	14	15	16	17	18	19	20
BRZEZINSKI	E	E	E	E	E	E				
COONAN	Y	S - Y	Y	M	Y	Y				
GRAY	Y	Y	Y	Y	Y	Y				
GROMASKI	M	Y	Y	Y	Y	Y				
HEREK	Y	M - Y	S	Y	M	Y				
MORSE	Y	Y	Y	S	Y	Y				
PETT	S	Y	Y	Y	S	S				
STARKWEATHER	Y	Y	M	Y	Y	M				
ZIELINSKI	Y	Y	Y	Y	Y	Y				

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

Pension MGR Mix

Account number 8765

31 Jan 14

FAMILY CODE FAM8765

◆ Manager Mix

Account Name/ Acount Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total market value/ % of consolidation
*BAYCO - COLUMBIA MANAGEMENT 2608694	0.00 0.00%	-104,814.36 -0.25%	42,104,759.04 100.19%	0.00 0.00%	0.00 0.00%	25,901.72 0.06%	42,025,846.40 14.47%
*BAYCO - BAIRD -SL 2618668	0.00 0.00%	944,457.25 3.86%	0.00 0.00%	23,655,689.52 96.70%	0.00 0.00%	-136,976.71 -0.56%	24,463,170.08 8.42%
*BAYCO - SCHRODERS -SL 2618669	0.00 0.00%	217.18 0.00%	17,897,474.72 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	17,897,691.90 6.16%
*BAYCO - MACKAY SHIELDS -SL 2822490	0.00 0.00%	2,990,133.14 17.27%	2,205,183.21 12.74%	12,117,001.46 69.99%	0.00 0.00%	0.00 0.00%	17,312,317.81 5.96%
*BAYCO - HOTCHKIS & WILEY -SL 2822536	0.00 0.00%	500,046.97 4.51%	10,620,816.22 95.74%	0.00 0.00%	0.00 0.00%	-27,773.43 -0.25%	11,093,089.76 3.82%
*BAYCO - WENTWORTH -SL 2624493	0.00 0.00%	1,556.12 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	1,556.12 0.00%
*BAYCO -CASH -SL 2639953	0.00 0.00%	2,315,529.80 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	2,315,529.80 0.80%
*BAYCO - DENVER INV ADV -SL 2639956	0.00 0.00%	15,636.55 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	15,636.55 0.01%
*BAYCO - LOOMIS SAYLES -SL 2641401	0.00 0.00%	729,035.88 2.16%	0.00 0.00%	33,430,101.83 99.19%	0.00 0.00%	-454,414.98 -1.35%	33,704,722.73 11.61%
*BAYCO GENEVA CAPITAL MGMT -SL 2649057	0.00 0.00%	444,550.99 1.88%	22,976,529.18 97.13%	0.00 0.00%	0.00 0.00%	234,500.74 0.99%	23,655,580.91 8.15%
*BAYCO - VANGUARD LG CAP CO-SL 2649840	0.00 0.00%	0.00 0.00%	12,827,293.37 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	12,827,293.37 4.42%
*BAYCO - INTEGRITY -SL 2653308	0.00 0.00%	504,886.79 1.99%	24,895,912.87 98.24%	0.00 0.00%	0.00 0.00%	-58,780.51 -0.23%	25,341,799.15 8.73%
*BAYCO - CORNERSTONE REALES-SL 2663296	0.00 0.00%	136,774.18 1.26%	10,746,011.18 98.74%	0.00 0.00%	0.00 0.00%	0.00 0.00%	10,882,785.36 3.75%
*BAYCO - MFS INVESTMENTS -SL 2683854	0.00 0.00%	855,666.64 2.03%	41,295,096.05 97.89%	0.00 0.00%	0.00 0.00%	34,897.64 0.08%	42,185,660.33 14.53%
*BAYCO - EAGLE ASSET -SL 2695063	0.00 0.00%	248,087.02 2.29%	10,654,369.39 98.24%	0.00 0.00%	0.00 0.00%	-56,978.65 -0.53%	10,845,477.76 3.73%

13

Pension MGR Mix

31 Jan 14

Account number 8765

FAMILY CODE FAM8765

◆ Manager Mix

Account Name/ Acount Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total market value/ % of consolidation
BAYCO- BARINGS	218,810.67	0.00	15,336,680.80	0.00	15,480.21	239,446.84	15,810,418.52 *
BYC03	1.38%	0.00%	97.00%	0.00%	0.10%	1.51%	5.44%
Total for consolidation	**218,810.67**	**9,581,544.15**	**211,560,126.03**	**69,202,792.81**	**15,480.21**	**-200,177.34**	**290,378,576.53**
% for consolidation	**0.08%**	**3.30%**	**72.86%**	**23.83%**	**0.01%**	**-0.07%**	**100.00%**

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2014	BAIRD	BARINGS	CORNERSTONE	DENVER	EAGLE (RJFN)	GENEVA	HOTCHKIS & WILEY	LOOMIS SAYLES	MACKAY SHIELDS	MFS	INTEGRITY	SCHRODER	COLUMBIA	VAN GUARD	WENTWORTH (WHV)	CASH	TOTAL
VENDOR #	63541	1539	464	20024	2980	4299	57457	30127	55027	4026	66109	65337	44907		58141		
JAN	24,463,170.06	15,810,418.52	10,882,785.36	15,636.55	10,845,477.76	23,655,580.91	11,093,089.76	33,704,722.73	17,312,317.81	42,185,660.33	25,341,799.15	17,897,691.90	42,025,846.40	12,827,293.37	1,556.12	2,315,529.80	290,378,576.53
FEB																	0.00
MARCH																	0.00
APRIL																	0.00
MAY																	0.00
JUNE																	0.00
JULY																	0.00
AUG																	0.00
SEPT																	0.00
OCT																	0.00
NOV																	0.00
DEC																	0.00

2014	BAIRD	BARINGS	CORNERSTONE	DENVER	EAGLE	GENEVA	HOTCHKIS & WILEY	LOOMIS SAYLES	MACKAY SHIELDS	MFS	INTEGRITY	SCHRODER	COLUMBIA	VAN GUARD	WENTWORTH	CASH	TOTAL
3RD QTR																	
PREV YR																	
4TH QTR																	
PREV YR																	
1ST QTR																	0.00
2ND QTR																	0.00
3RD QTR																	0.00
4TH QTR																	0.00
2014 YTD	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00

INVESTMENT MANAGER FEES ARE PAID FROM: 73127400 80100 (Professional Services)

BAIRD	GOVERNMENTAL FIXED INCOME MANAGER
BARING	LARGE CAP GROWTH INTERNATIONAL EQUITY MANAGER
COLUMBIA	LARGE CAP DEEP VALUE MANAGER
CORNERSTONE REAL ESTATE	REAL ESTATE INVESTMENT TRUST MANAGER
EAGLE	SMALL-CAP GROWTH MANAGER
GENEVA	MID-CAP GROWTH MANAGER
HOTCHKIS & WILEY	SMALL CAP VALUE MANAGER
INTEGRITY	MID-CAP VALUE MANAGER
LOOMIS SAYLES	CORPORATE BOND MANAGER
MACKAY SHIELDS	CONVERTIBLE BOND MANAGER
MFS	LARGE CAP GROWTH EQUITY MANAGER
SCHRODER	INTERNATIONAL SMALL/MID CAP EQUITY MANAGER
WENTWORTH	LARGE CAP CORE MANAGER

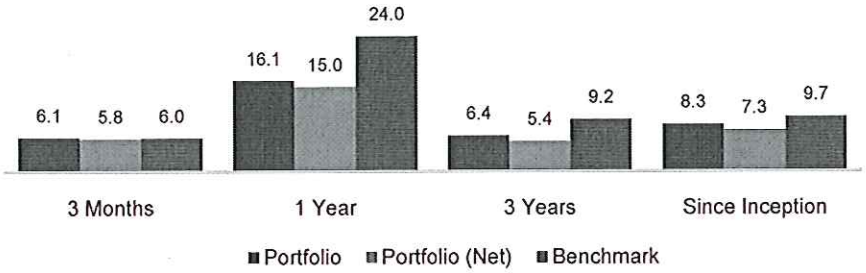
INVESTMENT MANAGER FEE SCHEDULES

BAIRD	.30% - FIRST $25 MILLION .25% - NEXT $25 MILLION .20% - NEXT 50 MILLION .15% - THEREAFTER
BARING	.95% -ON ASSETS UNDER MANAGEMENT
COLUMBIA	.50% - FIRST $40 MILLION .40% - NEXT $60 MILLION
CORNERSTONE	.60% - OF THE FAIR MARKET VALUE OF ASSETS
EAGLE	.85% - ON ASSETS UNDER MANAGEMENT
GENEVA	.75% - ON ASSETS UNDER MANAGEMENT
HOTCHKIS & WILEY	1.00% -ON ASSETS UNDER MANAGEMENT
INTEGRITY	.85% - FIRST $15 MILLION .75% - NEXT $25 MILLION
LOOMIS SAYLES	.35% - FIRST $20 MILLION .25% - NEXT $80 MILLION .20% - OVER $100 MILLION
MACKAY SHIELDS	.50% - UP TO $100 MILLION .40% - ABOVE $100 MILLION
MFS	.60% - ON FIRST $50 MILLION
SCHRODER	.75% - UP TO $10 MILLION .50% - UP TO $100 MILLION
WENTWORTH	.80%-FIRST $2 MILLION .60%-NEXT $8 MILLION .50%-NEXT $10 MILLION .40%-NEXT $10 MILLION .30%-OVER $30 MILLION

Summary

Barings

Performance Versus Benchmark In USD Terms (%) - Periods To 31 December 2013



Portfolio Value (USD)	
30 September 2013	15,604,581
31 December 2013	16,550,758

Inception: 30 October 2009

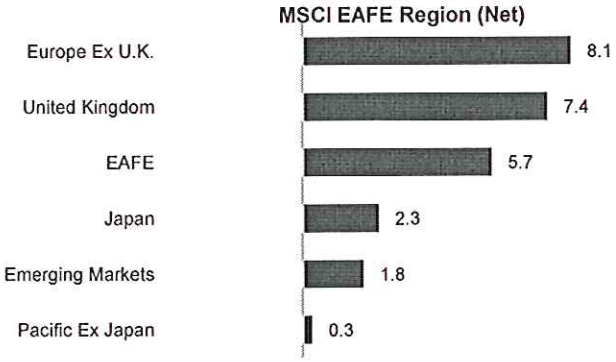
Source: Barings / MSCI, Gross of fees

Periods over 1 year are annualized

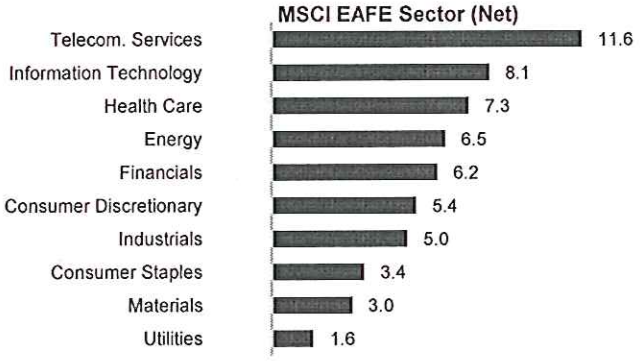
Benchmark: MSCI EAFE Total, Net Return + 1% p.a.

International equity markets were strong once again in the quarter. All sectors and all regions again delivered a positive absolute performance. We delivered slightly positive relative returns over the benchmark in the quarter. Stock selection was the primary driver to overall performance.

Market Review - In USD Terms (%) - Q4 2013



Source: MSCI, Barings



Source: MSCI, Barings

It was another strong quarter of performance for international equities with all regions delivering positive absolute returns.

The Europe ex UK market was again the best performing region as investors continued to bet on a European economic recovery.

The UK market was only slightly weaker than Europe ex UK. The UK economy has been surprisingly strong with the housing market responding well to the government's housing stimulus program.

The Pacific ex Japan market delivered only a slightly positive return. This was mostly due to an Australian market that was flat in local currency terms, while the Australian dollar was weak versus the US dollar.

All sectors of the benchmark were positive in absolute terms.

The Telecommunication Services sector was the best performing sector in the quarter. This was driven in part by speculation on future consolidation in the sector.

Utilities was the weakest sector. The weakness was led by many of the Japanese electric utilities, which gave back some of their gains from earlier in the year.

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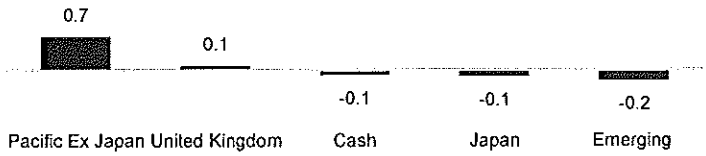
Performance - Q4 2013

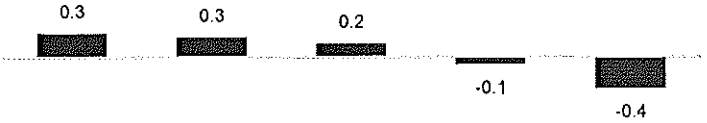
Total Relative Contributions (%)

Key Contributions - Geographic



	Allocation		Selection	Total
Pacific Ex Japan	0.4	UW	0.3	0.7
United Kingdom	0.1	OW	0.0	0.1
Continental Europe	-0.2	UW	0.2	0.0
Middle East	0.0	OW	-0.1	0.0
Cash	-0.1	OW		-0.1
Japan	-0.1	OW	-0.1	-0.1
Emerging	-0.3	OW	0.1	-0.2
Total	**-0.1**		**0.5**	**0.3**

Key Contributions - Economic Sector



	Allocation		Selection	Total
Consumer Discretionary	0.0	OW	0.3	0.3
Financials	0.0	OW	0.3	0.3
Utilities	0.2	UW	0.0	0.2
Energy	0.0	UW	0.1	0.1
Health Care	0.0	OW	0.0	0.1
Industrials	0.0	OW	0.0	0.0
Telecom. Services	-0.1	UW	0.1	0.0
Information Technology	0.0	OW	0.0	0.0
Cash	-0.1	OW		-0.1
Consumer Staples	0.1	UW	-0.2	-0.1
Materials	0.0	UW	-0.4	-0.4
Total	**0.1**		**0.2**	**0.3**

OW = Overweight UW = Underweight. Relative return is calculated on a geometric basis.

Region & Sector definitions are based on index classifications. Economic exposure may differ.

Performance Summary

Our performance was slightly ahead of the benchmark in the quarter. By region, asset allocation was a moderate detractor to performance. Our allocation to Emerging Markets and our underweight to Europe were the largest negative factors. This was partially off set by out underweight to Pacific ex Japan.

Stock selection by region was a moderate positive to performance led by stock selection in Pacific ex Japan and in Continental Europe. In Europe, Fresenius and Axa were among the stocks that performed well.

Stock selection in Japan was slightly negative to performance with Komatsu, Japan Tobacco and East Japan Railway being notable detractors, but also being offset by KDDI and Mitsubishi Electric which performed well.

By sector, asset allocation added slightly to relative performance. Our underweight to Utilities was the main positive factor. Cash was a slight drag on relative performance.

Stock selection by sector also added slightly to relative performance. Stock selection in Materials was a negative with Yamana Gold and Fresnillo being the largest detractors.

However, this was offset by positive stock selection in Consumer Discretionary and Financials. Few individual names stood out in these two sectors with only Axa being notable.

Major Stock Contributions To Relative Return (%)

Positive	Contribution	Country	Sector
Fresenius SE	0.3	Germany	Health Care
Mitsubishi Electric	0.2	Japan	Industrials
KDDI Corporation	0.2	Japan	Telecommunication Services
Rolls Royce #	0.2	United Kingdom	Industrials
AXA SA	0.2	France	Financials
Negative	**Contribution**	**Country**	**Sector**
Komatsu	-0.3	Japan	Industrials
Japan Tobacco	-0.3	Japan	Consumer Staples
Yamana Gold	-0.3	Brazil	Materials
Fresnillo	-0.2	United Kingdom	Materials
East Japan Railway	-0.2	Japan	Industrials

Source: Barings, Gross of Fees

Aggregated Holding

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Investment Strategy

Major Portfolio Positions Relative To Benchmark - 31 December 2013 (%)

Geographic

	Portfolio	B'Mark	Relative Weight 31 Dec	Relative Weight *30 Sep*
Emerging	7.6		7.6	*6.5*
United Kingdom	25.9	21.9	4.0	*2.1*
Japan	24.7	20.9	3.8	*2.5*
Cash	1.3		1.3	*1.8*
Middle East		0.4	-0.4	*2.1*
Pacific Ex Japan	4.4	11.9	-7.5	*-7.7*
Continental Europe	36.1	44.8	-8.7	*-7.2*
Total	**100.0**	**100.0**		

Economic Sector

	Portfolio	B'Mark	Relative Weight 31 Dec	Relative Weight *30 Sep*
Financials	28.9	25.6	3.2	*2.0*
Consumer Discretionary	15.1	11.9	3.1	*0.8*
Health Care	12.0	10.0	2.0	*3.2*
Information Technology	6.0	4.5	1.5	*0.7*
Cash	1.3		1.3	*1.8*
Telecom. Services	5.3	5.7	-0.4	*-2.7*
Energy	6.3	6.8	-0.6	*0.3*
Industrials	12.4	12.9	-0.6	*-0.4*
Materials	6.8	8.0	-1.2	*0.2*
Utilities		3.5	-3.5	*-2.6*
Consumer Staples	6.0	10.9	-4.9	*-3.3*
Total	**100.0**	**100.0**		

Region & Sector definitions are based on index classifications. Economic exposure may differ.

Largest Positive & Negative Positions Relative To Benchmark - 31 December 2013

Positive	Active Position (%)	Country	Sector
Deutsche Boerse	2.7	Germany	Financials
Sumitomo Mitsui Trust Holdings	2.1	Japan	Financials
WPP	2.1	United Kingdom	Consumer Discretionary
Mitsubishi Electric	2.0	Japan	Industrials
AXA SA	2.0	France	Financials
Negative	**Active Position (%)**	**Country**	**Sector**
Nestle	-1.8	Switzerland	Consumer Staples
HSBC	-1.5	United Kingdom	Financials
Novartis	-1.4	Switzerland	Health Care
BP	-1.1	United Kingdom	Energy
GlaxoSmithKline	-1.0	United Kingdom	Health Care

Aggregated Holding

We had a somewhat busy quarter in Q4.

We added Health Care company Shire Pharmaceutical to the portfolio following an upgrade by our analyst. We had a positive meeting with the new CEO, which gave us confidence in the growth outlook.

We sold out of lower conviction Heath Care holdings in GlaxoSmithKline and Teva Pharmaceutical. The resignation of Teva's CEO left us concerned that Teva's turnaround program might not remain on schedule.

We added Telecommunications company Vodafone to the portfolio in the quarter. Vodafone was recently upgraded by our analyst. It is a potential beneficiary of consolidation in the sector and what looks to be an improved regulatory environment in Europe.

We sold out of a long standing position in French utility Suez Environment. Suez performed well in 2013, but had reached a valuation that looked full relative to its growth prospects.

We added Japanese bank Mitsubishi UFJ Financial to the portfolio following an earnings upgrade by our analyst.

We sold out of our holding in Komatsu following a poor update meeting with the company. Additionally, we switched our holding in Japanese technology company Kyocera into Hitachi. An update meeting with Kyocera highlighted growth prospects that we felt were inadequate given the valuation. We feel Hitachi profits will benefit from its restructuring program, but the company also stands to benefit from its exposure to information technology and social infrastructure spending if the Japanese recovery continues.

Finally, we added small positions in Russian internet search leader Yandex and Korean holding company SK Holdings. Yandex will benefit from continued growth in Russian internet penetration and the growth of e-commerce. SK Holdings has broad exposure to the Korean market and trades at an attractive discount to its underlying value.

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Source: Barings

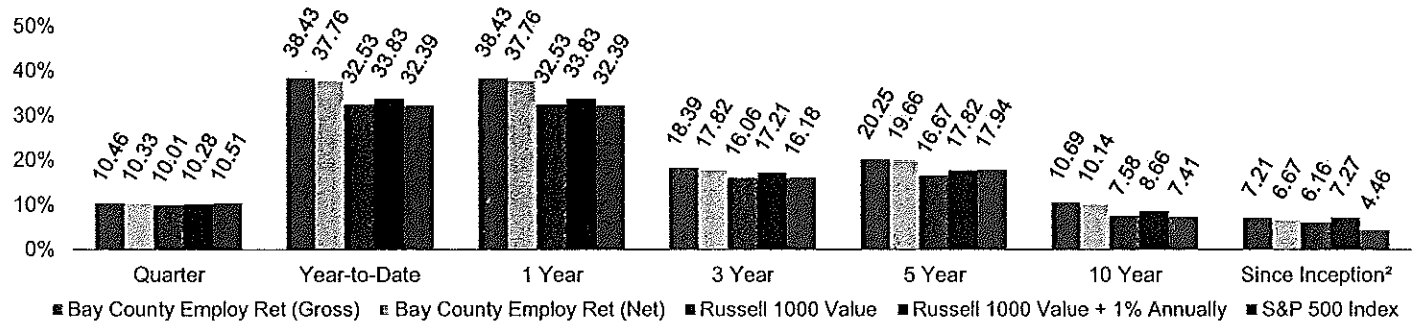
Quarterly Investment Review
Fourth Quarter 2013

ColumbiaManagement

Bay County Employees Retirement System

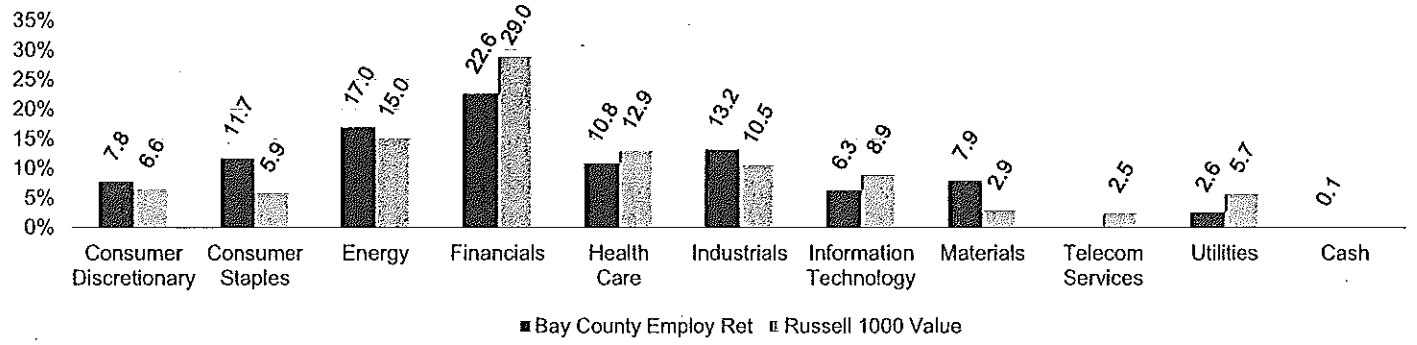
Reconciliation of Assets[1]		
Beginning Market Value 10/01/2013	$	40,099,443
Net Contributions/Withdrawals	$	-1,000,594
Income Earned	$	228,101
Change in Market Value	$	3,897,128
Ending Market Value 12/31/2013	$	43,224,078

Performance



	Quarter (%)	Year-to-Date (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception[2] (%)
Bay County Employees Retirement System (Gross)	10.46	38.43	38.43	18.39	20.25	10.69	7.21
Bay County Employees Retirement System (Net)	10.33	37.76	37.76	17.82	19.66	10.14	6.67
Russell 1000 Value Index	10.01	32.53	32.53	16.06	16.67	7.58	6.16
Russell 1000 Value + 1% Annually	10.28	33.83	33.83	17.21	17.82	8.66	7.27
S&P 500 Index	10.51	32.39	32.39	16.18	17.94	7.41	4.46

Sector Allocation as of 12/31/2013



[1] Asset values can differ slightly due to rounding.
[2] Inception Date: 01/27/2001

Source: Columbia Management Investment Advisers, LLC, Factset

Past performance does not guarantee future results. Please refer to the Disclosures at the end of this presentation for more information.

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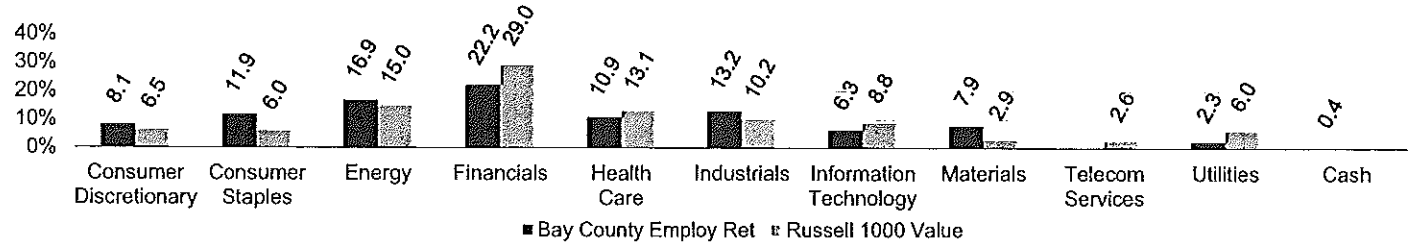
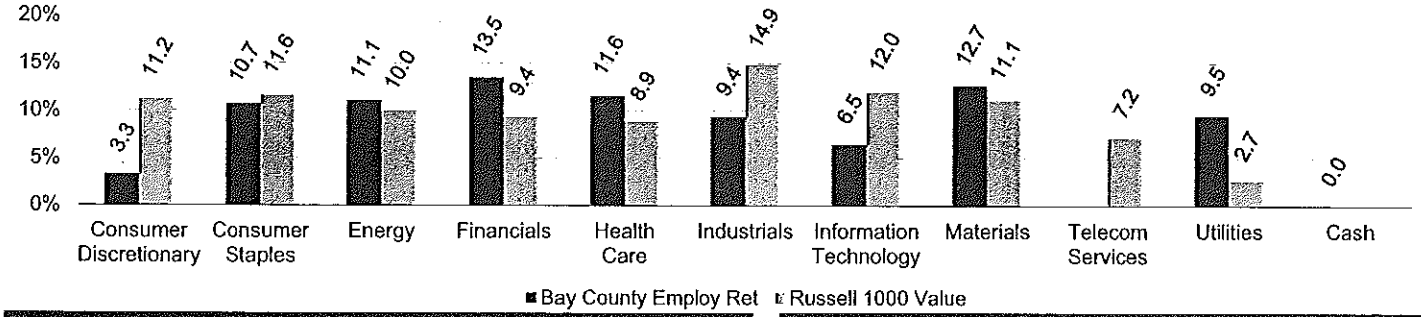
Bay County Employees Retirement System

Characteristics[1]	Bay County Employ Ret	Russell 1000 Value
Number of Holdings	36	662
Weighted Median Market Cap (mil.)	$39,913.8	$54,025.9
Weighted Average Market Cap (mil.)	$68,280.9	$114,046.6
Return on Equity	14.3%	13.2%
Price/Earnings (forward 12 mo.)	13.2x	13.8x
Dividend Yield	1.9%	2.2%
Price/Book	1.9x	1.8x

Average Quarterly Sector Allocation



Sector Performance



Attribution Analysis	Stock Selection (%)	Sector Weighting (%)	Net Contribution (%)
Consumer Discretionary	-0.62	0.01	-0.61
Consumer Staples	-0.12	0.10	-0.02
Energy	0.17	0.01	0.17
Financials	0.91	0.05	0.95
Health Care	0.27	0.03	0.30
Industrials	-0.71	0.13	-0.58
Information Technology	-0.35	-0.04	-0.39
Materials	0.13	0.05	0.18
Telecom Services	0.00	0.07	0.07
Utilities	0.16	0.27	0.43
Cash	0.00	-0.01	-0.01
Total	**-0.15**	**0.65**	**0.50**

Top 5 Contributors	Contribution to Return
Valero Energy Corporation	1.64
Tyson Foods, Inc. Class A	0.73
Bristol-Myers Squibb Company	0.64
Freeport-McMoRan Copper & Gold Inc.	0.61
Unum Group	0.61

Top 5 Detractors	Contribution to Return
Anadarko Petroleum Corporation	-0.54
The Gap, Inc.	-0.09
Marathon Oil Corporation	0.02
ConocoPhillips	0.04
Philip Morris International Inc.	0.04

[1] Weighted Harmonic Average.

Source: Factset

Past performance does not guarantee future results. Holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients. Securities listed may not have been held for the entire period shown. For a discussion of calculation methodology and a list showing every holding's contribution to the overall accounts' performance during the period, contact your relationship manager. Please refer to the disclosures at the end of this presentation for more information.

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CORNERSTONE

PERFORMANCE HISTORY
Bay County Employees' Retirement System

Time Period	12/31/2013	Percent Return Per Period		
		Portfolio		FTSE/NAREIT
		Gross	Net	Equity REIT Index
1 Month		0.29%	0.23%	0.23%
YTD		4.27%	3.64%	2.47%
1 Year		4.27%	3.64%	2.47%
3 Year		10.32%	9.67%	9.42%
5 Year		18.10%	17.40%	16.50%
Inception (October 21, 2008)		15.75%	15.07%	13.62%

CORNERSTONE

December 31, 2013

Bay County Employees' Retirement System

Symbol	Description	Property Type	Shares	Cost	Cost Per Share	Closing Price 12/31/2013	Percentage of Portfolio	Market Value 12/31/2013	Dividend Yield
Equity Holdings									
AEC	Associated Estates Realty Corp	Apartment	3,220	$52,363.68	$16.26	$16.05	0.5%	$51,681	4.7%
AVB	AvalonBay Communities Inc	Apartment	2,067	$267,643.20	$129.48	$118.23	2.3%	$244,381	3.6%
BRE	BRE Properties Inc	Apartment	5,660	$327,996.45	$57.95	$54.71	2.9%	$309,659	2.9%
EQR	Equity Residential	Apartment	5,310	$275,257.43	$51.84	$51.87	2.6%	$275,430	3.6%
PPS	Post Properties Inc	Apartment	3,520	$159,382.45	$45.28	$45.23	1.5%	$159,210	2.7%
CUZ	Cousins Properties Inc	Diversified	9,470	$96,446.75	$10.18	$10.30	0.9%	$97,541	1.7%
LXP	Lexington Realty Trust	Diversified	14,710	$168,172.87	$11.43	$10.21	1.4%	$150,189	6.0%
VNO	Vornado Realty Trust	Diversified	3,854	$270,610.73	$70.22	$88.79	3.2%	$342,197	3.3%
SRC	Spirit Realty Capital Inc	Free Standing	11,860	$112,604.09	$9.49	$9.83	1.1%	$116,584	6.9%
HCN	Health Care REIT Inc	Healthcare	4,990	$282,565.66	$56.63	$53.57	2.5%	$267,314	5.7%
NHI	National Health Investors Inc	Healthcare	1,517	$87,426.02	$57.63	$56.10	0.8%	$85,104	5.6%
OHI	Omega Healthcare Investors Inc	Healthcare	2,390	$84,256.99	$35.25	$29.80	0.7%	$71,222	6.2%
DOC	Physicians Realty Trust	Healthcare	4,450	$51,225.25	$11.51	$12.74	0.5%	$56,693	1.4%
SBRA	Sabra Health Care REIT Inc	Healthcare	3,690	$105,495.78	$28.59	$26.14	0.9%	$96,457	5.2%
VTR	Ventas Inc	Healthcare	2,647	$141,125.32	$53.32	$57.28	1.4%	$151,620	4.8%
CSU	Capital Senior Living Corp	Healthcare/Not Indexed	5,940	$140,658.44	$23.68	$23.99	1.4%	$142,501	0.0%
AHT	Ashford Hospitality Trust Inc	Hotels	6,350	$80,705.61	$12.71	$8.28	0.5%	$52,578	5.8%
CHSP	Chesapeake Lodging Trust	Hotels	8,140	$170,792.10	$20.98	$25.29	2.0%	$205,861	4.0%
DRH	DiamondRock Hospitality Co	Hotels	10,980	$127,346.69	$11.60	$11.55	1.2%	$126,819	2.9%
FCH	FelCor Lodging Trust Inc	Hotels	16,400	$106,169.42	$6.47	$8.16	1.3%	$133,824	0.0%
HT	Hersha Hospitality Trust	Hotels	18,950	$107,652.77	$5.68	$5.57	1.0%	$105,552	4.3%
HST	Host Hotels & Resorts Inc	Hotels	23,975	$373,114.61	$15.56	$19.44	4.4%	$466,074	2.4%
LHO	LaSalle Hotel Properties	Hotels	5,040	$134,163.84	$26.62	$30.86	1.5%	$155,534	3.1%
SHO	Sunstone Hotel Investors Inc	Hotels	14,224	$123,148.62	$8.66	$13.40	1.8%	$190,602	0.7%
DCT	DCT Industrial Trust Inc	Industrial	55,020	$408,488.32	$7.42	$7.13	3.7%	$392,293	3.9%
FR	First Industrial Realty Trust	Industrial	15,381	$238,138.94	$15.48	$17.45	2.5%	$268,398	1.9%
PLD	Prologis Inc	Industrial	8,360	$314,297.14	$37.60	$36.95	2.9%	$308,902	3.0%
STAG	STAG Industrial Inc	Industrial	7,585	$165,777.08	$21.86	$20.39	1.5%	$154,658	5.9%
ARE	Alexandria Real Estate Equitie	Office	1,680	$106,981.12	$63.68	$63.62	1.0%	$106,882	4.1%
BXP	Boston Properties Inc	Office	4,120	$338,483.31	$82.16	$100.37	3.9%	$413,524	4.8%
DEI	Douglas Emmett Inc	Office	15,417	$314,400.22	$20.39	$23.29	3.4%	$359,062	3.2%
HIW	Highwoods Properties Inc	Office	8,120	$292,070.25	$35.97	$36.17	2.8%	$293,700	4.7%
KRC	Kilroy Realty Corp	Office	5,592	$282,432.86	$50.51	$50.18	2.7%	$280,607	2.8%
GGP	General Growth Properties Inc	Regional Mall	28,081	$582,006.90	$20.73	$20.07	5.4%	$563,586	2.5%
SPG	Simon Property Group Inc	Regional Mall	8,198	$821,128.77	$100.16	$152.16	11.8%	$1,247,408	3.1%
CUBE	CubeSmart	Self-Storage	9,050	$137,466.94	$15.19	$15.94	1.4%	$144,257	2.9%
EXR	Extra Space Storage Inc	Self-Storage	4,960	$210,347.25	$42.41	$42.13	2.0%	$208,965	3.4%
AKR	Acadia Realty Trust	Shopping Centers	8,621	$216,940.66	$25.16	$24.83	2.0%	$214,059	3.5%
DDR	DDR Corp	Shopping Centers	5,550	$96,523.12	$17.39	$15.37	0.8%	$85,304	3.5%
KIM	Kimco Realty Corp	Shopping Centers	16,130	$341,459.49	$21.17	$19.75	3.0%	$318,568	4.3%
RPT	Ramco-Gershenson Properties Tr	Shopping Centers	10,100	$155,397.77	$15.39	$15.74	1.5%	$158,974	4.5%
REG	Regency Centers Corp	Shopping Centers	6,510	$328,213.86	$50.42	$46.30	2.9%	$301,413	4.0%
SKT	Tanger Factory Outlet Centers	Shopping Centers	5,920	$213,384.91	$36.04	$32.02	1.8%	$189,558	2.8%
WY	Weyerhaeuser Co	Timber/Not Indexed	11,550	$342,786.76	$29.68	$31.57	3.5%	$364,634	2.6%
				Total Equities			99.0%	$ 10,429,375	3.4%
				Accrued Income			0.6%	$ 60,044	
				Total Cash & Cash Equivalents			0.4%	$ 42,277	
				Total Portfolio Value			100.0%	$ 10,531,696	

Bay County Employees' Retirement System - 05231100

Portfolio Style: SmallCap Growth Equity

Portfolio Summary

	Month To Date	Year To Date
Beginning Market Value	10,751,199.82	9,502,620.09
Contributions	0.00	3,461.74
Withdrawals	-2.30	-19,656.92
Dividend and Interest Income	1,801.73	45,280.47
Change in Market Value	273,121.60	1,494,415.47
Ending Market Value	11,026,120.85	11,026,120.85

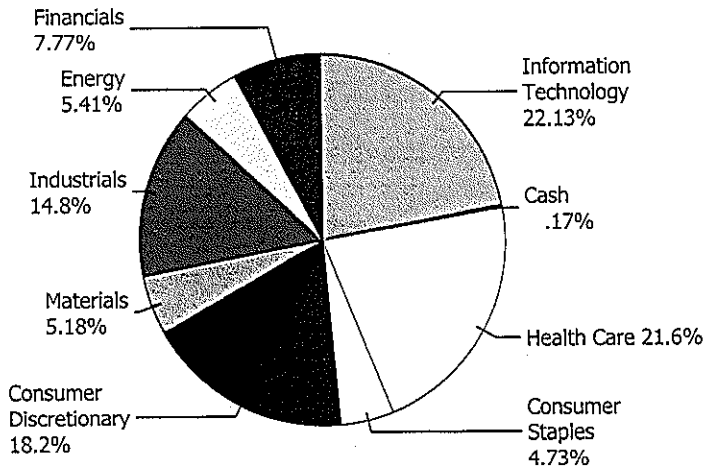
Performance Summary

	MTD	QTD	YTD	1 Year	3 Years	5 Years	Annualized Since Inception
Gross	2.56	4.57	36.11	36.11	16.56		23.18
Net	2.58	4.38	34.90	34.90	15.62		22.27
RU20GRTR[1]	2.05	8.17	43.30	43.30	16.82		25.49

[1] *Russell 2000 Growth Index*

Performance is based on fiscal year end of portfolio

Industry Weightings



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Top Ten Holdings

Security Description	Total Market Value	% of Market Value
GENESCO INC	228,458.62	2.07%
HURON CONSULTING GROUP INC	224,609.28	2.04%
QUAKER CHEMICAL CORP	221,653.32	2.01%
GEOSPACE TECHNOLOGIES CORP	214,729.08	1.95%
MULTIMEDIA GAMES HOLDING CO	203,056.00	1.84%
BALLY TECHNOLOGIES INC	202,087.20	1.83%
VITAMIN SHOPPE INC	198,002.07	1.80%
TEXAS INDUSTRIES INC	193,271.80	1.75%
HANGER INC	191,861.18	1.74%
COGNEX CORP	181,202.28	1.64%

Currency Valuation: USD

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

December 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
COMMON STOCK							
2,578	AFFILIATED MANAGERS GRP COM	122.37	315,468	216.88	559,117	2.3	0.0
7,295	ALIGN TECHNOLOGY INC COM	30.60	223,261	57.14	416,836	1.7	0.0
9,936	AMETEK INC NEW COM	40.34	400,841	52.67	523,329	2.1	0.5
5,941	AMPHENOL CORP NEW CL A	67.92	403,492	89.18	529,818	2.2	0.9
5,508	ANSYS INC COM	72.76	400,764	87.20	480,298	2.0	0.0
2,317	BARD C R INC COM	115.63	267,919	133.94	310,339	1.3	0.6
6,533	BEACON ROOFING SUPPLY INC COM	41.37	270,246	40.28	263,149	1.1	0.0
6,292	BROWN & BROWN INC COM	30.77	193,596	31.39	197,506	0.8	1.3
5,748	CATAMARAN CORP COM	51.42	295,542	47.46	272,812	1.1	0.0
10,376	CERNER CORP COM	40.92	424,573	55.74	578,358	2.4	0.0
3,370	CHART INDS INC COM	82.49	278,006	95.64	322,307	1.3	0.0
932	CHIPOTLE MEXICAN GRILL INC COM	321.38	299,526	532.78	496,551	2.0	0.0
5,927	CHURCH & DWIGHT INC COM	55.87	331,150	66.28	392,842	1.6	1.7
3,321	CITRIX SYS INC COM	70.74	234,938	63.25	210,053	0.9	0.0
6,274	COGNIZANT TECHNOLOGY SOLUTIONS CL A	78.17	490,428	100.98	633,549	2.6	0.0
3,421	COMMVAULT SYSTEMS INC COM	82.39	281,845	74.86	256,103	1.0	0.0
4,071	CONCHO RES INC COM	91.71	373,334	108.00	439,668	1.8	0.0
10,828	COPART INC COM	32.30	349,739	36.65	396,846	1.6	0.0
2,049	COSTAR GROUP INC COM	135.61	277,858	184.58	378,204	1.5	0.0
8,653	DICKS SPORTING GOODS INC COM	49.54	428,652	58.10	502,739	2.1	0.9
9,848	DSW INC CL A	41.75	411,181	42.73	420,805	1.7	1.2
13,699	EAST WEST BANCORP INC COM	23.16	317,239	34.97	479,054	2.0	1.7
1,757	FACTSET RESH SYS INC COM	88.64	155,732	108.58	190,775	0.8	1.3
6,136	FASTENAL CO COM	46.65	286,227	47.51	291,521	1.2	2.1
8,738	FISERV INC COM	41.39	361,667	59.05	515,979	2.1	0.0
3,405	GENESEE & WYO INC CL A	81.71	278,225	96.05	327,050	1.3	0.0
2,935	HAIN CELESTIAL GROUP INC COM	81.84	240,191	90.78	266,439	1.1	0.0
4,681	HUNT J B TRANS SVCS INC COM	69.32	324,493	77.30	361,841	1.5	0.8
5,871	IDEX CORP COM	52.85	310,262	73.85	433,573	1.8	1.2
3,821	IHS INC CL A	102.21	390,537	119.70	457,374	1.9	0.0

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

December 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
2,280	INTERCONTINENTAL EXCHANGE GROUP COM	127.72	291,198	224.92	512,818	2.1	1.2
6,079	INTUIT COM	62.44	379,579	76.32	463,949	1.9	1.0
21,755	LKQ CORP COM	22.85	497,070	32.90	715,739	2.9	0.0
7,780	MICROS SYS INC COM	44.73	347,997	57.37	446,339	1.8	0.0
1,114	MIDDLEBY CORP COM	204.04	227,304	239.72	267,053	1.1	0.0
4,410	O REILLY AUTOMOTIVE INC NEW COM	87.69	386,698	128.71	567,611	2.3	0.0
7,528	OASIS PETE INC NEW COM	34.73	261,416	46.97	353,590	1.4	0.0
2,807	OCEANEERING INTL INC COM	69.74	195,753	78.88	221,416	0.9	1.1
3,557	PALL CORP COM	69.15	245,968	85.35	303,590	1.2	1.3
1,956	PANERA BREAD CO CL A	163.05	318,921	176.69	345,606	1.4	0.0
7,203	PAREXEL INTL CORP COM	33.14	238,685	45.18	325,432	1.3	0.0
3,352	PERRIGO CO PLC SHS	152.20	510,191	153.46	514,398	2.1	0.2
4,548	POLARIS INDS INC COM	83.79	381,099	145.64	662,371	2.7	1.2
4,499	RANGE RES CORP COM	67.17	302,205	84.31	379,311	1.5	0.2
2,769	RAYMOND JAMES FINANCIAL INC COM	51.39	142,312	52.19	144,514	0.6	1.2
7,814	RED HAT INC COM	51.33	401,067	56.04	437,897	1.8	0.0
2,446	ROPER INDS INC NEW COM	114.81	280,819	138.68	339,211	1.4	0.6
3,253	SIGMA ALDRICH CORP COM	76.44	248,656	94.01	305,815	1.2	0.9
4,763	SIGNATURE BK NEW YORK N Y COM	72.85	346,977	107.42	511,641	2.1	0.0
4,208	SIRONA DENTAL SYSTEMS INC COM	69.53	292,572	70.20	295,402	1.2	0.0
3,584	SMUCKER J M CO COM NEW	88.81	318,279	103.62	371,374	1.5	2.2
3,794	STERICYCLE INC COM	95.08	360,735	116.17	440,749	1.8	0.0
8,916	TRACTOR SUPPLY CO COM	46.82	417,429	77.58	691,703	2.8	0.7
13,564	TRIMBLE NAVIGATION LTD COM	30.97	420,091	34.70	470,671	1.9	0.0
2,755	TYLER TECHNOLOGIES INC COM	79.55	219,162	102.13	281,368	1.1	0.0
2,553	ULTA SALON COSMETCS & FRAG INC COM	92.76	236,804	96.52	246,416	1.0	0.0
6,570	UNDER ARMOUR INC CL A	52.25	343,267	87.30	573,561	2.3	0.0

Geneva Capital Management Ltd.

PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

December 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
6,105	VARIAN MED SYS INC COM	74.77	456,480	77.69	474,297	1.9	0.0
7,000	WABTEC CORP COM	47.44	332,049	74.27	519,890	2.1	0.2
			19,017,713		24,088,566	98.3	0.4
CASH AND EQUIVALENTS							
	ACCRUED DIVIDENDS		1,631		1,631	0.0	0.0
	CASH ACCOUNT		402,890		402,890	1.6	0.0
			404,521		404,521	1.7	0.0
TOTAL PORTFOLIO			**19,422,235**		**24,493,088**	**100.0**	**0.4**

Please compare the information in Geneva's client reports with the information provided by the independent custodian of your account(s).

The market value on Geneva's report may differ from the value on the statement provided by your custodian due to cut off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. For tax purposes, refer to custodian records and consult with your tax adviser for advice. Geneva's reports should not be relied upon for tax purposes. Cost basis data is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the current yield on money market fund(s). If you are not receiving periodic statements directly from your custodian, please contact Geneva immediately at 414-224-6002. Thank you.

Geneva Capital Management Ltd.

PERFORMANCE HISTORY
NET OF FEES

Bay County Employees' Retirement System
XXXX9057 (bcers)

From 01-17-2013 to 12-31-2013

Time Period			Percent Return Per Period		
			Total Account	Equities	Russell Midcap Growth Index
01-17-2013	to	01-31-2013	1.01	1.02	1.65
01-31-2013	to	02-28-2013	1.41	1.43	1.01
02-28-2013	to	03-31-2013	3.05	3.10	3.99
03-31-2013	to	04-30-2013	-2.02	-1.92	1.47
04-30-2013	to	05-31-2013	2.57	2.62	2.63
05-31-2013	to	06-30-2013	-0.34	-0.34	-1.22
06-30-2013	to	07-31-2013	6.55	6.84	6.22
07-31-2013	to	08-31-2013	-1.86	-1.88	-1.90
08-31-2013	to	09-30-2013	5.93	6.02	4.93
09-30-2013	to	10-31-2013	2.34	2.57	2.62
10-31-2013	to	11-30-2013	1.34	1.36	2.21
11-30-2013	to	12-31-2013	3.00	3.05	3.19
Inception to Date					
01-17-2013	to	12-31-2013	25.11	26.17	29.97

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The market value on Geneva's report may differ from the value on the statement provided by your custodian due to cut off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. For tax purposes, refer to custodian records and consult with your tax adviser for advice. Geneva's reports should not be relied upon for tax purposes. Cost basis data is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the current yield on money market fund(s). If you are not receiving periodic statements directly from your custodian, please contact Geneva immediately at 414-224-6002. Thank you.

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM

Small Cap Value | Total Market Value: $11,549,989 (4.2% Cash) | Quarter Ended December 31, 2013

Performance Returns - Gross of Fees

	MTD	QTD	YTD	Since Incept.
Portfolio - Total Return	5.03 %	12.94 %	48.28 %	10.89 %
Portfolio - Equity Only	5.19	13.32	49.66	10.85
Russell 2000 Value Index	1.89	9.30	34.52	8.91
Russell 2000 Index	1.97	8.72	38.82	9.21
S&P 500 Index	2.53	10.51	32.39	7.89

Commencement of portfolio: 12/1/03. Periods over one year are average annualized returns.

Weighted Average Portfolio Characteristics

	Portfolio	Rus 2000 V	Rus 2000
Projected P/E Ratio (FY2)	15.3x	16.3x	18.2x
Price / Cash Flow Ratio	5.4x	7.5x	9.4x
Price / Book Ratio	1.6x	1.6x	2.4x
Dividend Yield	1.1%	1.9%	1.2%
Market Capitalization (mm)	$2,252	$1,546	$1,796
# of Holdings / 1-Yr Turnover	58 / 53%		

Top and Bottom Five Contributors to Performance

	End Wgt	Ttl Ret.	Contr.
Arris Group Inc.	3.19 %	42.82 %	1.28 %
Masonite Intl Corp.	5.30	22.62	1.07
Avis Budget Group Inc.	2.38	40.20	1.06
Huntington Ingalls Ind. Inc.	2.42	33.87	0.84
Valassis Communications	2.91	19.66	0.83
Ruby Tuesday Inc.	0.58 %	-7.60 %	-0.06 %
Big Lots Inc.	1.98	-12.94	-0.20
Cobalt Int'l Energy Inc.	0.40	-33.83	-0.24
Con-Way Inc.	4.13	-7.62	-0.31
Rent-A-Center Inc.	3.67	-11.89	-0.49

Trading Data

Major Buy(Sell)	*New buy/final sell	+/-
Masonite Intl Corp.		1.8%
First Horizon National Corp.		1.6%
Sonic Automotive Inc.		1.5%
Kaiser Aluminum Corp.		1.5%
Platinum Underwriters Hlds Ltd		1.3% *
(Huntington Ingalls Ind. Inc.)		-1.4%
(Argo Group Intl Hldgs Ltd.)		-1.5%
(Avis Budget Group Inc.)		-1.5%
(Valassis Communications)		-1.6%
(CNO Financial Group Inc.)		-2.1%

Top Ten Stocks - Total Portfolio

	End Wgt
Masonite Intl Corp.	5.3 %
First Horizon National Corp.	4.2
Con-Way Inc.	4.1
Rent-A-Center Inc.	3.7
Arris Group Inc.	3.2
Sonic Automotive Inc.	3.1
PHH Corp.	2.9
Valassis Communications	2.9
Meritor Inc.	2.8
ON Semiconductor Corp.	2.8

Performance Attribution

	Portfolio		Russell 2000 Value		Allocation		
	Avg Wgt	Equ. Ret.	Avg Wgt	Equ. Ret.	Sector	Stock	Total
Industrials	30.03 %	19.49 %	13.56 %	11.82 %	0.40	2.21	2.61
Information Technology	8.61	27.35	10.63	8.91	0.03	1.54	1.57
Health Care	8.11	16.25	4.59	12.23	0.08	0.32	0.40
Materials	4.90	17.75	4.62	12.75	0.02	0.33	0.35
Energy	1.38	-2.90	7.66	5.71	0.22	-0.07	0.14
Consumer Staples	0.00	0.00	2.72	5.83	0.10	0.00	0.10
Financials	27.21	7.03	38.90	9.34	0.01	-0.68	-0.66
Consumer Discretionary	15.64	3.80	10.61	9.54	0.04	-0.85	-0.81
	0.00	0.00	0.00	0.00	0.00	0.00	0.00
					0.00	0.00	0.00
					1.07	2.86	3.93

Top Ten Industries - Total Portfolio

	End Wgt
Insurance	10.4 %
Commercial Banks	8.4
Specialty Retail	6.7
Road & Rail	6.5
Metals & Mining	5.6
Building Products	5.3
Machinery	5.3
Health Care Prov. & Srvcs	5.2
Aerospace & Defense	3.6
Media	3.4

Returns are calculated using daily holding information, gross of fees, within Bloomberg. Returns calculated using this buy-and-hold methodology can differ from actual portfolio returns due to intraday trades, cash flows, accrued/miscellaneous income, corporate actions, and trade price and closing price difference of any given security. Russell Investment Group is the source and owner of the Russell Index data contained herein (and all trademarks related thereto), which may not be redistributed. The information herein is not approved by Russell. H&W and Russell sectors are based on the Global Industry Classification Standard by MSCI and Standard and Poor's.

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BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM

December 31, 2013

Assets

Total Market Value:	$11,549,989
Total Equity Value:	$11,057,886
Total Cash Value:	$482,935
Total Accrued Value:	$9,169
% Cash of Portfolio:	4.2%

Transactions Summary

Total Purchases:	$2,045,039
Total Sales:	$2,138,144
Total Commissions:	$3,473
Average Transaction Cost/Share:	$0.018

Performance Returns

Commencement of Portfolio
December 1, 2003

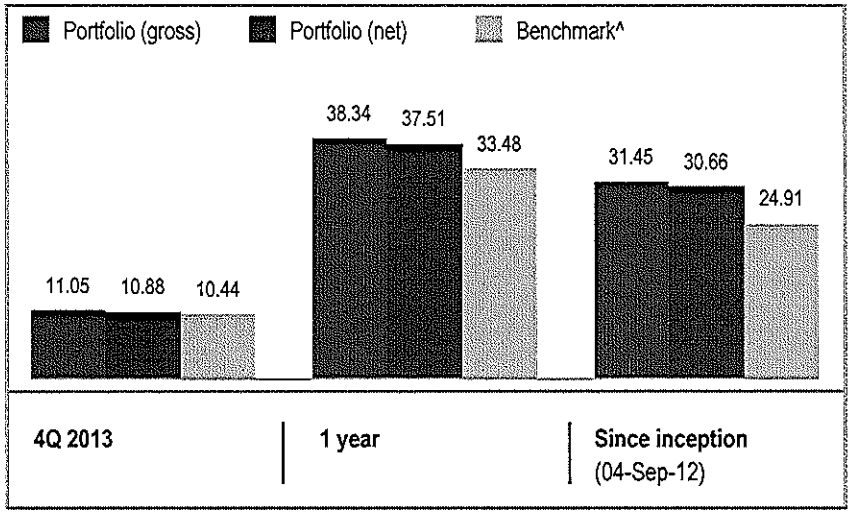
	MTD	QTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
Portfolio - Total Return	5.03 %	12.94 %	48.28 %	19.09 %	31.97 %	10.64 %	10.89 %
Portfolio - Equity Only	5.19	13.32	49.66	19.64	32.65	10.59	10.85
Russell 2000 Value Index	1.89	9.30	34.52	14.49	17.64	8.61	8.91
Russell 2000 Index	1.97	8.72	38.82	15.67	20.08	9.07	9.21
S&P 500 Index	2.53	10.51	32.39	16.18	17.94	7.41	7.89

Periods over one year are average annualized returns
Performance shown gross of fees
Past performance is no guarantee of future performance

EXECUTIVE SUMMARY

MFS

Performance results (%) gross and net of fees (USD) as of 31-Dec-13



Source for benchmark performance: SPAR, FactSet Research Systems Inc. All periods greater than one year are annualized.

Past performance is no guarantee of future results.

^ Russell 1000 Growth Index

Asset summary (USD)

Beginning value as of 30-Sep-13	38,855,878
Contributions	0
Withdrawals	0
Change in market value	+4,291,940
Ending value as of 31-Dec-13	43,147,818

Sector weights (%) as of 31-Dec-13	Portfolio	Benchmark^^
Top overweights		
Health Care	16.8	12.2
Financial Services	10.5	6.9
Leisure	13.0	9.5
Top underweights		
Consumer Staples	5.3	9.6
Technology	18.6	22.2
Basic Materials	2.2	5.0

^^ Russell 1000 Growth Index

The Growth Equity portfolio outperformed Russell 1000 Growth Index in the fourth quarter of 2013.

Contributors

- Financial Services – Stock Selection
- Health Care – Stock Selection
- Individual Stocks:
  - Google
  - IBM Corp (not held)
  - Wynn Resorts Ltd

Detractors

- Technology – Stock Selection
- Energy – Stock Selection
- Individual Stocks:
  - Stanley Black & Decker Inc

PERFORMANCE RESULTS

Performance results (%) gross and net of fees (USD) as of 31-Dec-13

Period	Portfolio gross (%)	Portfolio net (%)	Russell 1000 Growth Index (%)	Excess return net vs benchmark (%)
4Q 2013	11.05	10.88	10.44	0.44
3Q 2013	11.18	11.01	8.11	2.90
2Q 2013	1.95	1.80	2.06	-0.26
1Q 2013	9.91	9.74	9.54	0.20
2013	38.34	37.51	33.48	4.03
1 year	38.34	37.51	33.48	4.03
Since client inception (04-Sep-12)	31.45	30.66	24.91	5.75

Source for benchmark performance: SPAR, FactSet Research Systems Inc. All periods greater than one year are annualized.
Past performance is no guarantee of future results.

Bay County Employees' Retirement System
Growth Equity
Report as of 31 December 2013

Performance results (%) gross and net of fees (USD)

Period	Portfolio gross	Portfolio net	Benchmark^	Excess^^
December	4.01	3.95	2.86	1.09
November	2.71	2.66	2.82	-0.16
October	3.95	3.90	4.42	-0.52
4Q 2013	11.05	10.88	10.44	0.44
3Q 2013	11.18	11.01	8.11	2.90
2Q 2013	1.95	1.80	2.06	-0.26
1Q 2013	9.91	9.74	9.54	0.20
1 year	38.34	37.51	33.48	4.03
Since client inception (04-Sep-12)	31.45	30.66	24.91	5.75

Source for benchmark performance: SPAR, FactSet Research Systems Inc.

All periods greater than one year are annualized.

Past performance is no guarantee of future results.

^ Russell 1000 Growth Index

^^ Excess return net vs benchmark

The Growth Equity portfolio outperformed the Russell 1000 Growth Index in the fourth quarter of 2013.

Contributors

Financial Services – Stock Selection

Health Care – Stock Selection

Individual Stocks - Contributors

Google

IBM Corp (not held)

Wynn Resorts Ltd

Detractors

Technology – Stock Selection

Energy – Stock Selection

Individual Stocks - Detractors

Stanley Black & Decker Inc

FOR EXISTING INSTITUTIONAL CLIENT USE ONLY.

MFS Institutional Advisors, Inc.

FOURTH QUARTER 2013
OVERVIEW OF QUARTERLY PERFORMANCE

MACKAYSHIELDS

MARKET OVERVIEW

The U.S. convertible market, as measured by the BofA Merrill Lynch All Convertible Index, rose 6.02% in the fourth quarter. During the same period underlying equities climbed 9.85%. For the full year, the BofA Merrill Lynch All Convertible Index returned 24.92%, while underlying equities soared 45.85%. Investment-grade convertibles, as measured by the BofA Merrill Lynch Investment Grade Convertible Index, increased 21.40% in 2013, underperforming speculative-grade convertibles, which rose 22.90% during the same time period.

The rise in the convertible and equity markets during the quarter was the product of mounting evidence that the U.S. economy continues to expand, albeit slowly. While the unemployment rate has not fallen below seven percent and the labor force participation remains low, initial unemployment claims continue to drop and private data sources, such as ADP, report new job growth. Third quarter corporate earnings largely met or exceeded investor expectations and a shift in investor fund flows from bonds to equities helped equity and convertible bond prices advance. Market forces generally believe that Ben Bernanke's successor at the Federal Reserve, Janet Yellen, is likely to continue a monetary policy of low interest rates. In addition, certain economic indicators in Europe and China have shown surprising strength. Lastly, energy prices, led by crude oil, continued their retreat, which could provide a slight tailwind for economic activity. Significant growth in U.S. crude oil production and large supplies of natural gas have kept energy prices contained, providing some increased spending power for consumers, and lower costs for businesses. We continue to believe that equities and equity-linked securities, such as convertibles, are attractively valued, particularly when compared to the yields on pure fixed income securities (most specifically U.S. Treasury and investment-grade bonds). We maintain that in a slow growth environment, at current valuations, convertible bonds and stocks are attractive and should continue to perform well.

Every benchmark sector ended 2013 in positive territory. Transportation and Healthcare boasted the strongest returns during the fourth quarter, as well as for the year (rising 49.10% and 47.53%, respectively). Technology and Consumer Discretionary also outperformed the broad market. Materials was the worst performing sector, and was flat for the year; however, the next worst performing sector, Utilities, climbed 14.54%.

Issuance in 2013 was the strongest since 2008. A total of 48 new convertible securities were issued in the U.S. market during the quarter, raising a total of $18.5 billion. The average convertible new issue offering was $367 million in size. In 2013, approximately $44.4 billion of new convertibles were issued in the U.S. ($93 bn globally). This compares to $21.5 billion of new issuance in 2012 and $23 billion in 2011. We expect the strong pace of new issuance to continue into 2014 as companies feel comfortable issuing a security linked to the price of their common equity which in many cases is trading at an all- time high. In addition, convertible securities typically offer issuers an interest rate savings when compared to issuing debt in the non-convertible market. This savings is likely to increase if interest rates continue to rise.

PERFORMANCE

The convertibles of Gilead Sciences, Danaher and Intel were leading contributors during the fourth quarter of 2013. Gilead Sciences' convertible bonds were strong performers for the entire year as well. Gilead's legacy HIV franchise drugs sold well; however, the primary driver for the company's convertible bonds throughout the year was the strong trial data reported for the company's novel Hepatitis C therapy, Sovaldi. In trials, the drug showed higher levels of efficacy and lower side effects than all existing therapies, as well as other therapies in trial. The drug was approved for sale in December of last year and has experienced a rapid uptake in sales. Sovaldi was so promising that some doctors who treat individuals with Hepatitis C were advising their patients to defer treatment until Sovaldi came to market. Annual sales of Sovaldi are likely to reach several billion dollars. The convertible bonds of Danaher Corp. were strong performers during the quarter and the full year. During the year, the company raised earnings guidance and reported decent organic sales growth. Danaher's economically sensitive industrial businesses are expected to be beneficiaries of increased economic activity in the U.S. and Europe. The company is a very well-managed entity with a long history of acquiring related businesses and improving operating and financial metrics. It generates high levels of free cash flow which are likely to be used to increase

shareholder value either through share repurchases or additional acquisitions. Intel Corp. was also a top contributor in the fourth quarter; however, its convertible bonds slightly underperformed the market for all of 2013. Intel's common stock and convertible bonds got a boost in December when several analysts raised their ratings on the company. The upgrades were based on the belief that Intel's core market, personal computers, was beginning to stabilize. The health of the personal computer market weighed on Intel's stock for most of the year as the consumer's preference for tablet and smart phones (over traditional personal computers) did not bode well for Intel's processor business.

Conversely, exposure to the convertibles bonds of Chart Industries and Helix Energy Solutions, and convertible preferred shares of Stanley Black & Decker, weighed on performance during the quarter. Chart Industries' convertibles had a poor fourth quarter after the company's third quarter earnings results missed investor expectations. Chart was a very strong performer through the first three quarters of the year as the company reported solid earnings growth and a record order backlog. Chart manufactures equipment that is used to turn natural gas into a liquid so that it can be used as a transportation fuel. The business saw a hiccup in the third quarter which was likely caused by the rationing of natural gas in China, and led to a weakening of orders there. We believe that this will be a short-term event and that Chart's longer term business prospects remain very sound. Helix Energy performed poorly in the fourth quarter despite the absence of any meaningful news to explain the decline. Energy related shares in general were weak in the fourth quarter, likely down in sympathy with the price of crude oil, which declined due to growth in U.S. supply. Demand for Helix's well intervention vessels remains solid and most are booked through the coming twelve months. In addition, in December, Helix announced that fourth quarter earnings would be slightly higher than previous guidance. Last, holdings in Stanley Black & Decker declined in the fourth quarter. Investors had high expectations for Stanley as the company is a beneficiary of the improving housing market. However, in October management announced that earnings and free cash flow would be below prior guidance due to a slowdown in government spending and slower growth in emerging markets. Investors were skeptical of these excuses and believed that poor management execution was more likely the culprit. Despite the issue of management credibility, we believe that current conservative earnings guidance will lead to outperformance in 2014 as sales and earnings are likely to exceed subdued expectations.

OUTLOOK

2013 was an outstanding year for the convertible market. Apart from the extraordinary market returns, the past year marked the resurrection of a vibrant market for new convertible issuance. Last year's returns were also testimony to the notion that convertible bonds will outperform in a rising rate environment and, unlike almost all other classes of fixed income instruments, have almost no correlation to the movement in interest rates. Regarding issuance, 2013 saw over 130 news issues totaling approximately $44.4 billion come to the market. This compares to 68 new issues totaling $21.5 billion that came to the market in 2012. This surge in new issuance was largely due to the simultaneous rise in stock prices and interest rates. With the rise in rates, issuing companies could once again realize a significant interest savings by issuing a convertible bond instead of a non-convertible high-yield security. For most investment grade companies, however, rates remain so low in absolute terms that the benefits of a convertible offering remain relatively muted. As such, the preponderance of new issuance in 2013 was from non-investment grade companies. In addition, following the stock market decline of 2008, companies were reluctant to issue equity-linked securities as they believed that doing so would dilute existing equity holders at prices that they believed under-valued their companies. However, with stocks at record levels, companies are no longer reluctant to issue a security linked to their equity.

We believe that this trend will continue and perhaps accelerate in 2014. If interest rates continue to rise from record low levels, and stocks can hold onto gains, we believe that 2014's new convertible issuance is likely to exceed 2013's level. We do not expect the investment gains of 2013 to be repeated, but with decent corporate earnings, stocks and convertible bonds are likely to see further advances.

FOURTH QUARTER 2013
OVERVIEW OF QUARTERLY PERFORMANCE

MACKAY SHIELDS

We remain convinced that convertible bonds and equities are undervalued in the current slow growth environment. Given the slowly improving macro economy, and the relatively low rates of interest and inflation, stocks appear inexpensive based on various measures such as price to earnings, price to cash flow, or price to free cash flow. As such, we expect convertible bond and stock prices to be higher in the coming twelve to eighteen months.

Convertible bonds remain an excellent vehicle through which to participate in further equity advances. At current valuations, convertible bonds should participate in the majority of the stock market's advances, but less than half of any decline in the event that our outlook for equities is wrong.

This material contains the opinions of the Convertibles team of MacKay Shields LLC but not necessarily those of MacKay Shields LLC. The opinions expressed herein are subject to change without notice. This material is distributed for informational purposes only. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this document may be reproduced in any form, or referred to in any other publication, without express written permission of MacKay Shields LLC. ©2014, MacKay Shields LLC.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

MACKAY SHIELDS

Portfolio Composition and Performance — Account 1256

December 31, 2013

Composition	Market Value	Percent of Total
Fixed Income	12,816,443	73.92
Equity	2,186,562	12.61
Cash & Equivalents	2,335,978	13.47
Total Portfolio	$17,338,983	100.00%

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Performance	Latest Month	Latest 3 Months	Year To Date	Latest 12 Months	3 Years Annualized	5 Years Annualized	Since 10/1/2003	Annualized Since 10/1/2003
Total Fund (Gross of fees)	0.63%	3.63%	16.82%	16.82%	7.67%	11.40%	90.38%	6.48%
Merrill Lynch Convertible Inv Grade	0.83%	5.78%	24.23%	24.23%	9.63%	12.71%	97.70%	6.87%
ML Convt Inv Grade BDS (Inc Mandatory)	0.62%	4.92%	21.40%	21.40%	9.58%	12.24%	61.70%	4.80%

Expressed in USD

Past performance is not indicative of future results.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM

MACKAY SHIELDS

Summary Report — Account 1256

December 31, 2013

	Total Cost	Percent at Cost	Yield at Cost	Market Value	Percent of Assets	Yield at Market	Annual Income
Bonds	10,401,033	85.80	1.77	12,768,192	73.64	1.44	184,152
Stocks	1,720,986	14.20	3.55	2,182,413	12.59	2.80	61,157
Cash & Equivalents	0	0.00		2,335,978	13.47	0.09	2,102
Accrued Income				52,400	0.30		
Total Portfolio	$12,122,018	100.00%	2.02	$17,338,983	100.00%	1.43	$247,411

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Schroders

Bay County Employees' Retirement System

Overview

Fund Valuation

Value at 30 September 2013	Net Cash Flow	Value at 31 December 2013
US$ 16,805,462	-	US$ 18,204,416

Performance

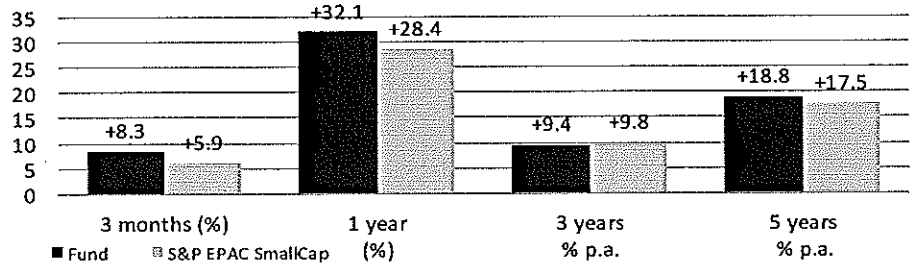
Periods to 31 December 2013

Total returns US$	3 months (%)	1 year (%)	3 years % p.a.	5 years % p.a.	SI** % p.a.
Fund	+8.3	+32.1	+9.4	+18.8	+6.6
Index*	+6.3	+29.9	+11.3	+19.0	+6.9
S&P EPAC SmallCap	+5.9	+28.4	+9.8	+17.5	+5.4
Value added rel Index*	+2.0	+2.2	-1.9	-0.2	-0.3
Difference vs EPAC Sm	+2.4	+3.7	-0.4	+1.3	+1.2

Source: Schroders. Gross of fees. * S&P EPAC SmallCap Index plus 150 basis points ** Since Inception June 30, 2006

All subsequent performance comments and numbers are relative to S&P EPAC SmallCap Index

Performance versus benchmark (%)



Summary

Despite the fourth quarter beginning on an uncertain footing, international equities made strong gains in the period. The quarter was again dominated by talk of tapering with the US Federal Reserve (Fed) announcing that it would begin tapering its quantitative easing programme in January. However, the Fed also emphasised that interest rates would remain low, which helped equities.

The fund finished the year strongly returning +8.3% in the fourth quarter compared to the benchmark return of +5.9%. The fund benefited from strong stock selection in all regions with continental Europe and Pacific ex Japan making the most significant contributions. Regional allocation was a small negative as the benefit from being underweight Japan was more than offset by our exposure to Emerging Markets, and underweights in the United Kingdom and continental Europe detracted value.

2013 has been a good year for the fund both in absolute and relative terms. The fund return of +32.1% comfortably outperformed the benchmark return of +28.4% thanks to strong stock selection only partially offset by regional allocation. From a stock selection perspective, Pacific ex Japan and continental Europe contributed most while Japan was the only modest area of detraction. Regional allocation produced some offset with our exposure to Emerging Markets and overweight to Pacific ex Japan negatively impacting relative performance.

It may appear tempting to call time on smaller cap equities given the appreciable outperformance of the last year. However, the scale of outperformance has broadly mirrored the extent to which small cap earnings growth has exceeded that of large. Both have experienced a similar degree of re-rating but valuations are not yet extended. Equities generally require further earnings growth to come through in 2014; there is no reason to think the likelihood or the extent of that recovery will be more marked for larger companies than for their smaller peers. However, we continue to focus on companies offering a measure of growth visibility and sustainably superior return metrics.

Bay County Employees' Retirement System

Market Summary

2013 has been a strong year for international equities and the fourth quarter continued in similar vein, with the MSCI EAFE Index up 5.7% over the quarter. Smaller companies marginally bettered this with S&P EPAC SmallCap index rising 5.9%, outperforming in Europe while lagging in the Pacific.

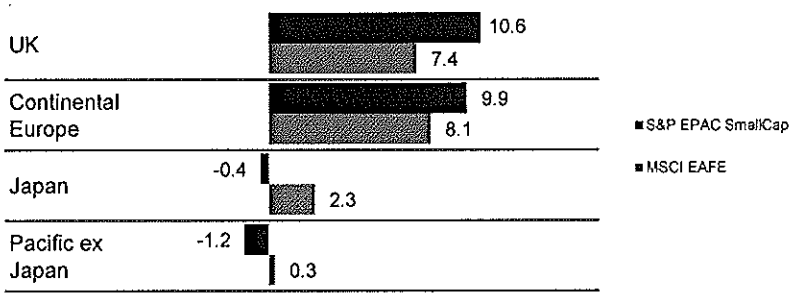
Despite the fourth quarter beginning on an uncertain footing with the US government in shutdown for 16 days, international equities made strong gains in the period. The quarter was again dominated by talk of tapering with the US Federal Reserve (Fed) announcing that it would begin tapering its quantitative easing programme in January. However, the Fed also emphasised that interest rates would remain low, which helped equities.

Continental European equities delivered strong returns in the quarter, helped by accommodative monetary policy and steady upgrades in growth forecasts amid a recovery in regional PMI and signs that credit markets were more sympathetic to peripheral borrowers despite ratings downgrades. Politically, a coalition Government was formed in Germany while in Italy Prime Minister Enrico Letta won a confidence vote in early October. The United Kingdom also performed strongly as the economy showed further signs of improvement, growing 0.8% in the third quarter. Unemployment fell faster than the Bank of England (BoE) had anticipated, although no rate hike is imminent.

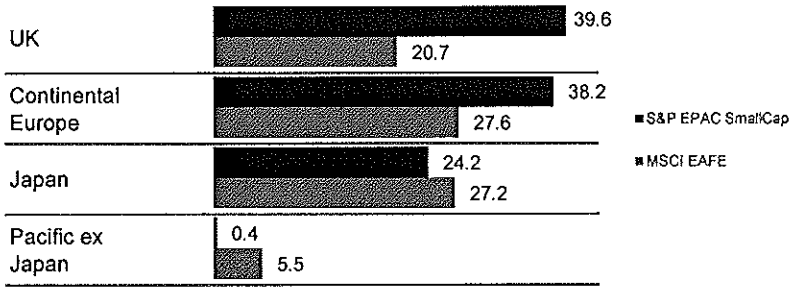
Japanese equities posted positive yen returns in the quarter but lagged in US dollar terms as a result of yen weakness. Despite GDP slowing in the third quarter, inflation data and interim results were generally positive, while news the Government Pension Investment Fund (GPIF) is considering changing its strategic asset allocation in favour of equities supported the market. The government also released more details of the stimulus package designed to offset the increase in consumption tax planned for April 2014.

Despite talk of tapering, markets in the rest of Asia took heart from the outcome of China's Third Plenum. There were also improving economic data from China with the November PMI reading at an 18-month high, and better-than-expected exports. This helped equities in Hong Kong, while Taiwan and Korea also witnessed gains on strong exports. Meanwhile in Asian Emerging Markets, Indonesia was down on continued high inflation and a weakening currency, while the Philippines was hit by negative sentiment surrounding the aftermath of Typhoon Haiyan. The biggest loser was Thailand, where political unrest saw protests in Bangkok. Despite volatility earlier in the year, India has bounced back as investors took heart from new RBI chief Raghuram Rajan, who has taken tough action to stabilise market concerns surrounding the economy.

S&P & MSCI returns by major region US$ 3 months to 31 December 2013



S&P & MSCI returns by major region US$ 12 months to 31 December 2013



Source: S&P, MSCI

Bay County Employees' Retirement System

Performance

Performance attribution – Periods to 31 December 2013

Total returns	3 months %	12 months %	3 years % p.a.	5 years % p.a.
Stock selection	+2.6	+6.6	+0.6	+1.2
Region weightings	-0.5	-2.6	-0.9	+0.2
Currency hedging	0.0	0.0	0.0	0.0
Residual	+0.3	-0.3	-0.1	-0.1
Total value added	+2.4	+3.7	-0.4	+1.3

Source: Schroders, Factset PA2

The fund finished the year strongly returning +8.3% in the fourth quarter compared to the benchmark return of +5.9%. The fund benefited from strong stock selection in all regions with continental Europe and Pacific ex Japan making the most significant contributions. Regional allocation was a small negative as the benefit from being underweight Japan was more than offset by our exposure to Emerging Markets, and underweights in the United Kingdom and continental Europe detracted value.

Stock selection in continental Europe has been the strongest contributor in Q4 thanks to our holdings in financials (**Delta Lloyd, Swiss National Insurance, IFG Group**), information technology (**Lectra, Comet, Unit4**) and consumer staples (**Glanbia, Marr**) sectors. There was only modest offset from selection in the health care (**Amplifon**) sector and our underweight in industrials.

Pacific ex Japan stock selection was also a significant contributor to relative performance with the negative from stock selection in Australia/New Zealand only partially offsetting relative strength in Asia ex Japan. By sector, selection in information technology (**Varitronix, Silverlake Axis, Computershare**), consumer discretionary (**Hansae, Shenzhou**) and industrials (**Johnson Electric**) drove outperformance offset partially by telecoms and materials holdings in Australia/New Zealand (**Iluka Resources, Chorus, Fletcher Building**). Our holdings in Asian Emerging Markets detracted mainly as a result of weakness in Thailand (**Bec World, VGi Global Media, Hemaraj Land**) reflecting a slowing in economic activity and political uncertainty.

Stock selection in Japan also contributed to relative performance. The fund benefited from positive selection in materials (**Kureha**), industrials (**Trusco Nakayama, Kuroda Electric, Yushin Precision Equipment**) and consumer staples (**Mitsui Sugar**). A positive impact from financials reflected our underweight stance and strong stock selection (**Tokai Tokyo Financial**). There was modest offset from stock selection in the health care (**Nichi-Iko Pharmaceutical**) and consumer discretionary (**Musashi Seimitsu, Unipres**) sectors.

Fund performance in the United Kingdom also exceeded that of the index thanks primarily to positive selection in industrials (**Ricardo, WS Atkins, Ashtead**). Selection in the information technology (**CSR, Computacenter**) sector was also beneficial. The main area of detraction was financials as a result of our underweight stance.

2013 has been a good year for the fund both in absolute and relative terms. The fund return of +32.1% comfortably outperformed the benchmark return of +28.4% thanks to strong stock selection only partially offset by regional allocation. From a stock selection perspective, Pacific ex Japan and continental Europe contributed most while Japan was the only modest area of detraction. Regional allocation produced some offset with our exposure to Emerging Markets and overweight to Pacific ex Japan negatively impacting relative performance.

Stock and Region Selection Impact – 3 months to 31 December 2013

	Stock selection %	Region allocation %	Total* %
UK	+0.3	-0.1	+0.2
Japan	+0.5	+0.2	+0.7
Continental Europe	+1.1	-0.1	+1.0
Pacific ex Japan	+0.7	0.0	+0.7
Emerging Markets	0.0	-0.4	-0.4
Cash	-	-0.1	-0.1

* Contribution to performance relative to S&P EPAC SmallCap Source: Schroders, Factset PA2

ConvergEx Group
Execution Solutions

Recapture Services

Bay County Employees Retirement System by Trade Date

Directed Commission Summary

January 01, 2013 through December 31, 2013

Ref#: 23803

Plan Sponsor	Revenue Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
GRAND TOTAL														

Commission Recapture Client Services : 800-992-7526, crpclientservices@convergex.com

This statement represents trades through Trade Date December 31, 2013 for all US transactions and upon information provided to us to date from our Global Correspondent Network for all non-US transactions
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1633 Broadway, 48th floor, New York, NY 10019

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ConvergEx Group
Execution Solutions

Recapture Services

Bay County Employees Retirement System
Plan Trading Summary (US Dollars)
January 01, 2013 - December 31, 2013

Ref#: 23803

Manager		Current Month Commissions	Current Month Credits	Year-To-Date Commissions	Year-To-Date Credits
Revenue Type: Equity					
Columbia Management Advisors, LLC		0.00	0.00	2,543.24	1,780.27
Denver Invmt Advisors		0.00	0.00	0.00	0.00
Eagle Asset Management		72.90	51.03	1,190.46	833.32
Eagle Asset Management	Execution	0.00	0.00	146.57	0.00
Geneva Capital Management Ltd		0.00	0.00	2,282.36	1,597.65
Geneva Capital Management Ltd	Events	0.00	0.00	33.16	23.21
Hotchkis & Wiley		0.00	0.00	0.00	0.00
MFS Investment Management Co.		0.00	0.00	0.00	0.00
WHV Investment Management		0.00	0.00	2,583.92	1,808.74
Totals for Equity		**72.90**	**51.03**	**8,779.71**	**6,043.20**
Revenue Type: Correspondent Equity					
Baring Asset Management Ltd.		39.05	27.33	212.31	148.61
Baring Asset Management Ltd.	Corrsp Broker	13.01	0.00	50.21	0.00
Integrity Asset Management		0.00	0.00	1,392.48	974.74
Integrity Asset Management	Corrsp Broker	0.00	0.00	497.92	0.00
Totals for Correspondent Equity		**52.06**	**27.33**	**2,152.92**	**1,123.35**
Revenue Type: International Correspondent					
Baring Asset Management Ltd.		251.37	188.53	2,800.36	2,100.27
Baring Asset Management Ltd.	Corrsp Broker	251.38	0.00	3,307.91	0.00
Schroder Investment Management Ltd		0.00	0.00	0.00	0.00
Totals for International Correspondent		**502.75**	**188.53**	**6,108.27**	**2,100.27**
Grand Totals		**627.71**	**266.89**	**17,040.90**	**9,266.82**

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Transition Management Sales : Kimberly Doran, 212.468.7701, kdoran@convergex.com
Commission Recapture Client Services : 800-992-7526, crpclientservices@convergex.com

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ConvergEx Group
Execution Solutions

Recapture Services

Bay County Employees Retirement System

Plan Activity Summary and Balance

January 01, 2013 - December 31, 2013

Ref#: 23803

Summary by Revenue Type

Revenue Type	Month to Date		Year to Date	
	Commissions	Credits	Commissions	Credits
Equity	72.90	51.03	8,746.55	6,019.99
Correspondent Equity	39.05	27.33	1,604.79	1,123.35
Correspondent Broker Fees	13.01	0.00	548.13	0.00
International Correspondent	251.37	188.53	2,800.36	2,100.27
Correspondent Broker Fees	251.38	0.00	3,307.91	0.00
Fixed Income	0.00	0.00	0.00	0.00
12B-1 fees	0.00	0.00	0.00	0.00
Events	0.00	0.00	33.16	23.21
Adjustments	0.00	0.00	0.00	0.00
No Credit	0.00	0.00	0.00	0.00
TOTAL	627.71	266.89	17,040.90	9,266.82

Account Balance

Month	Commissions	Credits	Adjustments	Payments	Month Ending
Prior Year CR or DB	0.00	0.00			2,682.15
January 2013	179.68	97.13	0.00	2,682.15	97.13
February 2013	1,265.84	761.64	0.00	0.00	858.77
March 2013	2,248.20	1,242.56	0.00	0.00	2,101.33
April 2013	3,229.04	2,125.12	0.00	2,101.33	2,125.12
May 2013	2,299.09	1,313.65	0.00	0.00	3,438.77
June 2013	465.01	220.27	0.00	0.00	3,659.03
July 2013	1,376.36	765.08	0.00	3,659.03	765.08
August 2013	1,146.99	405.88	0.00	0.00	1,170.97
September 2013	1,022.87	504.87	0.00	0.00	1,675.83
October 2013	2,424.10	1,276.43	0.00	1,675.83	1,276.44
November 2013	756.01	287.30	0.00	0.00	1,563.73
December 2013	627.71	266.89	0.00	0.00	1,830.63
TOTAL	17,040.90	9,266.82	0.00	10,118.34	
				Current Balance	1,830.63

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Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 1799220					
ACCOUNT NAME : BAYCO- BARINGS					
CURRENCY : USD					
OPEN CASH	0.00	0.00	0.00	134.06	134.06
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	134.06	134.06
TOTAL REBATES	0.00	0.00	0.00	-10.06	-10.06
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	144.12	144.12
BANK FEES	0.00	0.00	0.00	57.47	57.47
NET INCOME	0.00	0.00	0.00	86.65	86.65
ACCOUNT NUMBER : 2608694					
ACCOUNT NAME : *BAYCO - COLUMBIA MANAGEMENT					
CURRENCY : USD					
OPEN CASH	0.00	1,891.89	0.00	0.00	1,891.89
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,891.89	0.00	0.00	1,891.89
TOTAL REBATES	0.00	-139.23	0.00	0.00	-139.23
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,031.12	0.00	0.00	2,031.12
BANK FEES	0.00	812.15	0.00	0.00	812.15
NET INCOME	0.00	1,218.97	0.00	0.00	1,218.97

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Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2618668					
ACCOUNT NAME : *BAYCO - BAIRD -SL					
CURRENCY : USD					
OPEN CASH	2,045.05	0.00	0.00	0.00	2,045.05
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	2,045.05	0.00	0.00	0.00	2,045.05
TOTAL REBATES	596.25	0.00	0.00	0.00	596.25
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	1,448.80	0.00	0.00	0.00	1,448.80
BANK FEES	579.42	0.00	0.00	0.00	579.42
NET INCOME	869.38	0.00	0.00	0.00	869.38
ACCOUNT NUMBER : 2622490					
ACCOUNT NAME : *BAYCO - MACKAY SHIELDS -SL					
CURRENCY : USD					
OPEN CASH	1,125.48	15.62	0.00	5.18	1,146.28
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.10	0.00	0.00	0.00	0.10
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	1,125.58	15.62	0.00	5.18	1,146.38
TOTAL REBATES	-888.04	-0.80	0.00	-0.53	-889.37
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	2,013.62	16.42	0.00	5.71	2,035.75
BANK FEES	805.05	6.50	0.00	2.23	813.78
NET INCOME	1,208.57	9.92	0.00	3.48	1,221.97

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Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2622536					
ACCOUNT NAME : *BAYCO - HOTCHKIS & WILEY -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,273.01	0.00	178.04	1,451.05
TERM CASH	0.00	1.13	0.00	0.00	1.13
NON CASH	0.00	26.57	0.00	0.00	26.57
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,300.71	0.00	178.04	1,478.75
TOTAL REBATES	0.00	-246.32	0.00	-17.07	-263.39
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,547.03	0.00	195.11	1,742.14
BANK FEES	0.00	616.61	0.00	77.64	694.25
NET INCOME	0.00	930.42	0.00	117.47	1,047.89
ACCOUNT NUMBER : 2641401					
ACCOUNT NAME : *BAYCO - LOOMIS SAYLES -SL					
CURRENCY : USD					
OPEN CASH	1,098.41	0.00	367.19	0.00	1,465.60
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	1,098.41	0.00	367.19	0.00	1,465.60
TOTAL REBATES	-118.52	0.00	-31.88	0.00	-150.40
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	1,216.93	0.00	399.07	0.00	1,616.00
BANK FEES	486.06	0.00	159.37	0.00	645.43
NET INCOME	730.87	0.00	239.70	0.00	970.57

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Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2649057					
ACCOUNT NAME : *BAYCO GENEVA CAPITAL MGMT -SL					
CURRENCY : USD					
OPEN CASH	0.00	2,135.41	0.00	41.51	2,176.92
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	2,135.41	0.00	41.51	2,176.92
TOTAL REBATES	0.00	-228.34	0.00	-9.76	-238.10
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,363.75	0.00	51.27	2,415.02
BANK FEES	0.00	944.88	0.00	20.44	965.32
NET INCOME	0.00	1,418.87	0.00	30.83	1,449.70
ACCOUNT NUMBER : 2653308					
ACCOUNT NAME : *BAYCO - INTEGRITY -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,849.84	0.00	71.84	1,921.68
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,849.84	0.00	71.84	1,921.68
TOTAL REBATES	0.00	-225.10	0.00	-10.04	-235.14
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,074.94	0.00	81.88	2,156.82
BANK FEES	0.00	828.77	0.00	32.67	861.44
NET INCOME	0.00	1,246.17	0.00	49.21	1,295.38

Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2663296					
ACCOUNT NAME : *BAYCO - CORNERSTONE REALES-SL					
CURRENCY : USD					
OPEN CASH	0.00	1,153.44	0.00	0.00	1,153.44
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,153.44	0.00	0.00	1,153.44
TOTAL REBATES	0.00	-99.07	0.00	0.00	-99.07
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,252.51	0.00	0.00	1,252.51
BANK FEES	0.00	499.69	0.00	0.00	499.69
NET INCOME	0.00	752.82	0.00	0.00	752.82
ACCOUNT NUMBER : 2683854					
ACCOUNT NAME : *BAYCO - MFS INVESTMENTS -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,928.81	0.00	217.14	2,145.95
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,928.81	0.00	217.14	2,145.95
TOTAL REBATES	0.00	-395.85	0.00	-51.20	-447.05
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,324.66	0.00	268.34	2,593.00
BANK FEES	0.00	929.23	0.00	107.23	1,036.46
NET INCOME	0.00	1,395.43	0.00	161.11	1,556.54

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Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2695063					
ACCOUNT NAME : *BAYCO - EAGLE ASSET -SL					
CURRENCY : USD					
OPEN CASH	0.00	1,460.16	0.00	15.90	1,476.06
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	157.77	0.00	0.00	157.77
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	1,617.93	0.00	15.90	1,633.83
TOTAL REBATES	0.00	-442.96	0.00	-4.94	-447.90
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,060.89	0.00	20.84	2,081.73
BANK FEES	0.00	821.64	0.00	8.27	829.91
NET INCOME	0.00	1,239.25	0.00	12.57	1,251.82
ACCOUNT NUMBER : BYC03					
ACCOUNT NAME : BAYCO- BARINGS					
CURRENCY : USD					
OPEN CASH	0.00	0.00	0.00	69.87	69.87
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	0.00	0.00	69.87	69.87
TOTAL REBATES	0.00	0.00	0.00	-261.39	-261.39
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	0.00	0.00	331.26	331.26
BANK FEES	0.00	0.00	0.00	132.49	132.49
NET INCOME	0.00	0.00	0.00	198.77	198.77

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Securities Lending

Summary Earnings Report for MR

BAY COUNTY EMPLOYEES

From Dec 1, 2013 To Dec 31, 2013

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
GRAND TOTAL					
CURRENCY : USD					
OPEN CASH	4,268.94	11,708.18	367.19	733.54	17,077.85
TERM CASH	0.00	1.13	0.00	0.00	1.13
NON CASH	0.10	184.34	0.00	0.00	184.44
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	4,269.04	11,893.65	367.19	733.54	17,263.42
TOTAL REBATES	-410.31	-1,777.67	-31.88	-364.99	-2,584.85
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	4,679.35	13,671.32	399.07	1,098.53	19,848.27
BANK FEES	1,870.53	5,459.47	159.37	438.44	7,927.81
NET INCOME	2,808.82	8,211.85	239.70	660.09	11,920.46

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REFUNDS: FOR THE MONTH ENDED: January 31, 2014

EMPLOYEE/BENEFICIARY	CONTRIBUTIONS	PROCESSED	DEPARTMENT	TERMINATION
REZLER, RYAN	5,587.26	1/7/14	BABH	11/20/13
NIX, HEATHER	11,652.21	1/15/14	BABH	10/14/13
DAVID GARCIA	23,574.06	10/4/13	BABH	7/20/12
RYAN IBARRA	1,344.02	12/18/13	BABH	5/3/13

TOTAL REFUNDS: 42,157.55

NEW RETIREE	CONTRIBUTIONS TRANSFERRED	RETIREMENT GROUP/ COUNTY DEPT	EFFECTIVE DATE
ROTH, SUSAN	24,277.41	GENERAL - DEFERRED	1/4/2014
ADAMCZYK, MICHAEL	38,478.43	GENERAL - DEFERRED	1/21/2014
OUELLETTE, KAREN	$47,240.67	BABH-INCENTIVE	12/7/2013
HACKER, BEVERLY	$27,523.19	BABH-AFSCME INCENTIVE	12/7/2013
PIORKOWSKI,THOMAS J	$85,413.43	BABH-INCENTIVE	12/7/2013
BILACIC, SUE	$66,589.54	BABH-INCENTIVE	12/14/2013
HILL, MARY	$42,190.61	BABH-INCENTIVE	12/14/2013
CARLSON, PEPA	$76,619.13	BABH-INCENTIVE	12/21/2013
SCHULTZ, SANDRA	$27,239.38	BABH-INCENTIVE	12/18/2013
WITTKOPP, JEANNE	74,088.44	GENERAL PROBATE COURT GROUP	12/21/2013
CLOUTIER, FAYE	20,245.99	BABH-AFSCME INCENTIVE	12/21/2013
DEMOTT, DIANE	38,157.95	BABH-AFSCME INCENTIVE	12/21/2013
FLETCHER, DEBORAH	32,223.48	BABH-AFSCME INCENTIVE	12/21/2013
HIGGINS, DONALD	32,774.52	BABH-AFSCME INCENTIVE	12/21/2013
VILLANUEVA, THOMAS	38,182.15	BABH-INCENTIVE	12/21/2013

DECEASED EMPLOYEE/ RETIREE	BENEFICIARY	REFUND/ PENSION	DATE OF DEATH	DIVISION/ DEPARTMENT

NO REFUNDS EMPLOYEE NAME	ACCUMULATED CONTRIBUTIONS	UNION GROUP	DATE TERMINATED

0.00

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Bay County, Michigan

DECEMBER 2013

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
7310 RETIREMENT SYSTEM FUND							
73127400 RETIREMENT BOARD							
RA FUND BALANCE, NET AS							
73127400 40001 FUND BALANCE	0	0	.00	.00	.00	.00	.0%
73127400 40003 FUND BALANCE-RESRVS	0	0	.00	.00	.00	.00	.0%
73127400 40004 NET ASSETS - RESERV	3,757,669	3,710,929	.00	.00	.00	3,710,929.00	.0%
TOTAL FUND BALANCE, NET AS	3,757,669	3,710,929	.00	.00	.00	3,710,929.00	.0%
RJ LOCAL UNIT CONTRIBUT							
73127400 59401 ER CONTR-BEHAVE.HEA	-1,000,000	-1,000,000	-969,434.97	.00	.00	-30,565.03	96.9%*
73127400 59402 ER CONTR-MOSQUITO C	0	0	-12,867.92	.00	.00	12,867.92	100.0%
73127400 59403 ER CONTR-HEALTH FUN	0	0	-56,119.22	.00	.00	56,119.22	100.0%
73127400 59404 ER CONTR-ROAD COMMI	-540,000	-540,000	-441,859.21	.00	.00	-98,140.79	81.8%*
73127400 59406 ER CONTR-LIBRARY	-130,000	-130,000	-140,114.90	.00	.00	10,114.90	107.8%
73127400 59407 ER CONTR-GOLF COURS	0	0	-5,644.62	.00	.00	5,644.62	100.0%
73127400 59408 ER CONTR-GENERAL FU	0	0	-456,450.39	.00	.00	456,450.39	100.0%
73127400 59409 ER CONTR-DWS	0	0	-230,412.49	.00	.00	230,412.49	100.0%
73127400 59410 ER CONTR-911 SERVIC	0	0	-44,185.27	.00	.00	44,185.27	100.0%
73127400 59411 ER CONTR-CHILD CARE	0	0	-40,558.50	.00	.00	40,558.50	100.0%
73127400 59412 ER CONTR-DIV ON AGI	0	0	-43,297.44	.00	.00	43,297.44	100.0%
73127400 59413 ER CONTR-RETIRE SYS	0	0	-1,660.65	.00	.00	1,660.65	100.0%
73127400 59414 ER CONTR-HOMELAND S	0	0	-2,119.67	.00	.00	2,119.67	100.0%
73127400 59415 ER CONTR-GYPSY MOTH	0	0	-2,063.33	.00	.00	2,063.33	100.0%
73127400 59416 ER CONTR-HOME REHAB	0	0	-71.63	.00	.00	71.63	100.0%
73127400 59418 ER CONTR-100% TAX P	0	0	-3,260.42	.00	.00	3,260.42	100.0%
73127400 59419 ER CONTR-MED CARE F	-650,000	-650,000	-660,816.34	.00	.00	10,816.34	101.7%
73127400 59424 ER CONTR-SELF INSUR	0	0	-373.93	.00	.00	373.93	100.0%
73127400 59427 ER CONTR-COMM.CORRE	0	0	-2,820.32	.00	.00	2,820.32	100.0%
73127400 59429 ER CONTR-F.O.C. FUN	0	0	-2,415.05	.00	.00	2,415.05	100.0%
73127400 59430 ER CONTR-HOUSING FU	0	0	-5,217.77	.00	.00	5,217.77	100.0%
73127400 59434 ER CONTR-LOCAL CFO	0	0	-245.46	.00	.00	245.46	100.0%
73127400 59499 ER CONTR-SHERIFF DE	0	0	.00	.00	.00	.00	.0%
73127400 59501 EE CONTR-BEHAVE.HEA	-510,000	-510,000	-401,094.76	.00	.00	-108,905.24	78.6%*

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Bay County, Michigan

DECEMBER 2013

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 59502 EE CONTR-MOSQUITO C	-12,500	-12,500	-12,370.06	.00	.00	-129.94	99.0%*
73127400 59503 EE CONTR-HEALTH FUN	-60,000	-60,000	-53,863.63	.00	.00	-6,136.37	89.8%*
73127400 59504 EE CONTR-ROAD COMMI	-120,000	-120,000	-87,453.12	.00	.00	-32,546.88	72.9%*
73127400 59506 EE CONTR-LIBRARY	-75,000	-75,000	-56,669.25	.00	.00	-18,330.75	75.6%*
73127400 59507 EE CONTR-GOLF COURS	-4,800	-4,800	-5,428.95	.00	.00	628.95	113.1%
73127400 59508 EE CONTR-GENERAL FU	-405,000	-405,000	-475,123.36	.00	.00	70,123.36	117.3%
73127400 59509 EE CONTR-DWS	-83,801	-83,801	-87,606.26	.00	.00	3,805.26	104.5%
73127400 59510 EE CONTR-911 SERVIC	-64,000	-64,000	-59,747.99	.00	.00	-4,252.01	93.4%*
73127400 59511 EE CONTR-CHILD CARE	-42,500	-42,500	-38,973.65	.00	.00	-3,526.35	91.7%*
73127400 59512 EE CONTR-DIV ON AGI	-50,500	-50,500	-41,576.86	.00	.00	-8,923.14	82.3%*
73127400 59513 EE CONTR-RETIRE SYS	-1,600	-1,600	-1,602.94	.00	.00	2.94	100.2%
73127400 59514 EE CONTR-HOMELAND S	0	0	-2,117.74	.00	.00	2,117.74	100.0%
73127400 59515 EE CONTR-GYPSY MOTH	0	0	-1,982.27	.00	.00	1,982.27	100.0%
73127400 59516 EE CONTR-HOME REHAB	-180	-180	-69.04	.00	.00	-110.96	38.4%*
73127400 59518 EE CONTR-100% TAX P	-2,800	-2,800	-3,134.10	.00	.00	334.10	111.9%
73127400 59519 EE CONTR-MED CARE F	-350,000	-350,000	-329,701.43	.00	.00	-20,298.57	94.2%*
73127400 59524 EE CONTR-SELF INSUR	-400	-400	-362.75	.00	.00	-37.25	90.7%*
73127400 59527 EE CONTR-COMM.CORRE	0	0	-2,713.53	.00	.00	2,713.53	100.0%
73127400 59529 EE CONTR-F.O.C. FUN	-2,850	-2,850	-2,318.90	.00	.00	-531.10	81.4%*
73127400 59530 EE CONTR-HOUSING FU	-4,000	-4,000	-5,024.98	.00	.00	1,024.98	125.6%
73127400 59534 EE CONTR.LOCAL CFO	0	0	-234.48	.00	.00	234.48	100.0%
73127400 59599 EE CONTR-SHERIFF DE	-245,000	-245,000	-83,490.67	.00	.00	-161,509.33	34.1%*
TOTAL LOCAL UNIT CONTRIBUT	-4,354,931	-4,354,931	-4,874,670.22	.00	.00	519,739.22	111.9%
RP INTEREST & RENTALS							
73127400 66400 INVESTMENT INTEREST	-5,000,000	-5,000,000	-3,129,939.38	.00	.00	-1,870,060.62	62.6%*
73127400 66500 GAIN ON SALE OF INV	-15,000,000	-15,000,000	-22,297,551.30	.00	.00	7,297,551.30	148.7%
73127400 66501 UNREALIZED GAIN ON	-3,000,000	-3,000,000	.00	.00	.00	-3,000,000.00	.0%*
73127400 66502 GAIN ON FOREIGN CUR	-40,000	-40,000	-16,252.68	.00	.00	-23,747.32	40.6%*
73127400 66600 SECURITIES LENDING	-300,000	-300,000	-120,108.38	.00	.00	-179,891.62	40.0%*
TOTAL INTEREST & RENTALS	-23,340,000	-23,340,000	-25,563,851.74	.00	.00	2,223,851.74	109.5%
RR OTHER REVENUE							
73127400 67104 MISCELLANOUS REVENU	0	0	.00	.00	.00	.00	.0%
73127400 67600 REIMBURSEMENTS	0	0	.00	.00	.00	.00	.0%
73127400 67601 REIMBURSEMENT - IND	0	0	.00	.00	.00	.00	.0%

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Bay County, Michigan

DECEMBER 2013

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 68900 TRADE-IN ALLOWANCE	0	0	.00	.00	.00	.00	.0%
73127400 69000 COMMISSION RECAPTUR	-25,000	-25,000	-8,442.51	.00	.00	-16,557.49	33.8%*
73127400 69200 CLAIMS/SETTLEMENTS/	-150,000	-150,000	-23,407.70	.00	.00	-126,592.30	15.6%*
TOTAL OTHER REVENUE	-175,000	-175,000	-31,850.21	.00	.00	-143,149.79	18.2%
XE WAGES & SALARIES							
73127400 70300 SALARIES-ELECTED OR	44,635	44,635	25,426.76	.00	.00	19,208.24	57.0%
73127400 70500 TEMPORARY HELP	0	11,600	8,837.64	.00	.00	2,762.36	76.2%
73127400 70501 PART TIME WAGES	7,135	7,135	7,369.28	.00	.00	-234.28	103.3%*
73127400 70600 OVERTIME	2,809	2,809	128.26	.00	.00	2,680.74	4.6%
73127400 70800 HOLIDAY PAY	0	0	1,512.33	.00	.00	-1,512.33	100.0%*
73127400 71000 PER DIEM	3,420	3,420	2,715.00	.00	.00	705.00	79.4%
73127400 71200 VACATION PAY	0	0	3,227.78	.00	.00	-3,227.78	100.0%*
73127400 71202 SICK PAY	0	0	577.17	.00	.00	-577.17	100.0%*
73127400 71203 TERMINATION SICK PA	0	0	2,500.00	.00	.00	-2,500.00	100.0%*
73127400 71204 TERMINATION VACTION	0	0	4,791.70	.00	.00	-4,791.70	100.0%*
TOTAL WAGES & SALARIES	57,999	69,599	57,085.92	.00	.00	12,513.08	82.0%
XF FRINGES							
73127400 71500 SOCIAL SECURITY	3,784	4,672	3,969.98	.00	.00	702.02	85.0%
73127400 71600 HEALTH INSURANCE	15,401	15,401	10,896.66	.00	.00	4,504.34	70.8%
73127400 71603 RETIREE HEALTH CARE	0	0	.00	.00	.00	.00	.0%
73127400 71632 EMPLOYEE INCENTIVE	200	200	.00	.00	.00	200.00	.0%
73127400 71700 LIFE INSURANCE	114	114	94.64	.00	.00	19.36	83.0%
73127400 71800 RETIREMENT	3,683	3,683	3,122.51	.00	.00	560.49	84.8%
73127400 71900 OTHER FRINGE BENEFI	469	469	.00	.00	.00	469.00	.0%
73127400 72001 SIF ADMINISTRATION	89	109	92.35	.00	.00	16.65	84.7%
73127400 72100 WORKERS' COMPENSATI	757	926	793.88	.00	.00	132.12	85.7%
73127400 72200 SICK AND ACCIDENT I	295	295	249.86	.00	.00	45.14	84.7%
73127400 72500 UNEMPLOYMENT COMPEN	281	344	293.58	.00	.00	50.42	85.3%
TOTAL FRINGES	25,073	26,213	19,513.46	.00	.00	6,699.54	74.4%
XI SUPPLIES							
73127400 72700 OFFICE SUPPLIES	1,000	1,000	725.83	.00	.00	274.17	72.6%

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		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 72702	BOOK SUPPLIES	0	0	210.00	.00	.00	-210.00	100.0%*
73127400 72800	PRINTING AND BINDIN	750	750	204.78	.00	.00	545.22	27.3%
73127400 72900	POSTAGE	250	250	334.65	.00	.00	-84.65	133.9%*
73127400 73000	MAGAZINES AND PERIO	600	600	.00	.00	.00	600.00	.0%
73127400 73301	COPIER / FAX SUPPLI	250	250	.00	.00	.00	250.00	.0%
73127400 74200	FOOD SUPPLIES	150	150	88.64	.00	.00	61.36	59.1%
73127400 74700	PHOTO & MICROFILM/F	0	0	.00	.00	.00	.00	.0%
73127400 75100	COMPUTER SUPPLIES	1,000	1,000	436.47	.00	.00	563.53	43.6%
TOTAL SUPPLIES		4,000	4,000	2,000.37	.00	.00	1,999.63	50.0%
XL OTHER SERVICES AND C								
73127400 80100	PROFESSIONAL SERVIC	1,500,000	1,500,000	1,209,100.77	.00	.00	290,899.23	80.6%
73127400 80101	ACTUARIAL SERVICES	40,000	40,000	71,510.00	.00	.00	-31,510.00	178.8%*
73127400 80200	CONTRACTUAL SERVICE	0	0	.00	.00	.00	.00	.0%
73127400 81200	MEDICAL SERVICES	0	0	.00	.00	.00	.00	.0%
73127400 81400	INVESTMENT/BANK SER	230,000	230,000	179,684.01	.00	.00	50,315.99	78.1%
73127400 81700	LEGAL FEES	7,500	7,500	502.50	.00	.00	6,997.50	6.7%
73127400 81900	CONSULTANTS	125,000	125,000	140,000.00	.00	.00	-15,000.00	112.0%*
73127400 82000	MEMBERSHIPS AND DUE	550	550	960.00	.00	.00	-410.00	174.5%*
73127400 82900	FILING FEES	250	250	.00	.00	.00	250.00	.0%
73127400 83500	HEALTH SERVICES	2,500	2,500	.00	.00	.00	2,500.00	.0%
73127400 85200	TELEPHONE	420	420	185.11	.00	.00	234.89	44.1%
73127400 86100	CONFERENCE FEES & E	9,200	9,200	6,561.83	.00	.00	2,638.17	71.3%
73127400 86500	STATE TRAVEL MILEAG	2,000	2,000	1,745.86	.00	.00	254.14	87.3%
73127400 86600	LOCAL TRAVEL MILEAG	300	300	77.78	.00	.00	222.22	25.9%
73127400 87500	PENSION PAYMENTS	11,500,000	11,500,000	9,838,621.38	.00	.00	1,661,378.62	85.6%
73127400 90000	PRINTING/PUBLISHING	500	500	149.00	.00	.00	351.00	29.8%
73127400 90100	LEGAL NOTICES	1,000	1,000	.00	.00	.00	1,000.00	.0%
73127400 93100	EQUIPMENT REPAIR &	400	400	.00	.00	.00	400.00	.0%
73127400 94601	EQUIPMENT RENTAL-CO	5,000	5,000	1,158.95	.00	.00	3,841.05	23.2%
73127400 95500	MISCELLANEOUS	500	500	.00	.00	.00	500.00	.0%
73127400 95600	INDIRECT COST EXPEN	126,570	126,570	126,570.00	.00	.00	.00	100.0%
73127400 96000	EDUCATION AND TRAIN	500	500	.00	.00	.00	500.00	.0%
73127400 96200	LOSS ON DISPOSAL OF	10,000,000	10,000,000	4,397,348.50	.00	.00	5,602,651.50	44.0%
73127400 96201	UNREALIZED LOSS ON	0	0	.00	.00	.00	.00	.0%
73127400 96203	LOSS ON FOREIGN CUR	100,000	100,000	20,403.33	.00	.00	79,596.67	20.4%
73127400 96401	CONTRIB REFUND-GENE	75,000	75,000	51,320.32	.00	.00	23,679.68	68.4%
73127400 96402	CONTRIB REFUND-SHER	25,000	25,000	1,856.23	.00	.00	23,143.77	7.4%
73127400 96403	CONTRIB REFUND-ROAD	25,000	25,000	.00	.00	.00	25,000.00	.0%
73127400 96404	CONTRIB REFUND-MED	75,000	75,000	16,285.59	.00	.00	58,714.41	21.7%

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	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 96405 CONTRIB REFUND-B.A.	100,000	100,000	105,316.84	.00	.00	-5,316.84	105.3%*
73127400 96406 CONTRIB REFUND-D.W.	10,000	10,000	.00	.00	.00	10,000.00	.0%
73127400 96407 CONTRIB REFUND-LIBR	25,000	25,000	.00	.00	.00	25,000.00	.0%
73127400 96500 INSURANCE AND BONDS	22,000	22,000	20,434.50	.00	.00	1,565.50	92.9%
73127400 96730 MACHINERY & EQUIPME	0	0	.00	.00	.00	.00	.0%
73127400 96740 OFFICE EQUIP.& FURN	0	0	.00	.00	.00	.00	.0%
73127400 96741 COMPUTER HARDWARE E	0	0	.00	.00	.00	.00	.0%
73127400 96742 COMPUTER SOFTWARE E	0	0	.00	.00	.00	.00	.0%
73127400 96770 BOOK EXPENSE	0	0	.00	.00	.00	.00	.0%
73127400 96999 BUDGET REDUCTION TA	0	0	.00	.00	.00	.00	.0%
TOTAL OTHER SERVICES AND C	24,009,190	24,009,190	16,189,792.50	.00	.00	7,819,397.50	67.4%
XQ CAPITAL OUTLAY							
73127400 98001 COMPUTER SOFTWARE	16,000	50,000	8,000.00	.00	8,000.00	34,000.00	32.0%
TOTAL CAPITAL OUTLAY	16,000	50,000	8,000.00	.00	8,000.00	34,000.00	32.0%
TOTAL RETIREMENT BOARD	0	0	-14,193,979.92	.00	8,000.00	14,185,979.92	100.0%
TOTAL RETIREMENT SYSTEM FUND	0	0	-14,193,979.92	.00	8,000.00	14,185,979.92	100.0%
TOTAL REVENUES	-24,112,262	-24,159,002	-30,470,372.17	.00	.00	6,311,370.17	
TOTAL EXPENSES	24,112,262	24,159,002	16,276,392.25	.00	8,000.00	7,874,609.75	
GRAND TOTAL	0	0	-14,193,979.92	.00	8,000.00	14,185,979.92	100.0%

** END OF REPORT - Generated by Kim Priessnitz **

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	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
7310 RETIREMENT SYSTEM FUND							
73127400 RETIREMENT BOARD							
RA FUND BALANCE, NET AS							
73127400 40001 FUND BALANCE	0	0	.00	.00	.00	.00	.0%
73127400 40003 FUND BALANCE-RESRVS	16,176	16,176	.00	.00	.00	16,176.00	.0%
73127400 40004 NET ASSETS - RESERV	3,763,344	3,763,344	.00	.00	.00	3,763,344.00	.0%
TOTAL FUND BALANCE, NET AS	3,779,520	3,779,520	.00	.00	.00	3,779,520.00	.0%
RJ LOCAL UNIT CONTRIBUT							
73127400 59401 ER CONTR-BEHAVE.HEA	-1,300,000	-1,300,000	.00	.00	.00	-1,300,000.00	.0%
73127400 59402 ER CONTR-MOSQUITO C	-13,000	-13,000	.00	.00	.00	-13,000.00	.0%
73127400 59403 ER CONTR-HEALTH FUN	-57,000	-57,000	.00	.00	.00	-57,000.00	.0%
73127400 59404 ER CONTR-ROAD COMMI	-520,000	-520,000	.00	.00	.00	-520,000.00	.0%
73127400 59406 ER CONTR-LIBRARY	-130,000	-130,000	.00	.00	.00	-130,000.00	.0%
73127400 59407 ER CONTR-GOLF COURS	-6,000	-6,000	.00	.00	.00	-6,000.00	.0%
73127400 59408 ER CONTR-GENERAL FU	-375,000	-375,000	.00	.00	.00	-375,000.00	.0%
73127400 59409 ER CONTR-DWS	-250,000	-250,000	.00	.00	.00	-250,000.00	.0%
73127400 59410 ER CONTR-911 SERVIC	-45,000	-45,000	.00	.00	.00	-45,000.00	.0%
73127400 59411 ER CONTR-CHILD CARE	-40,000	-40,000	.00	.00	.00	-40,000.00	.0%
73127400 59412 ER CONTR-DIV ON AGI	-43,000	-43,000	.00	.00	.00	-43,000.00	.0%
73127400 59413 ER CONTR-RETIRE SYS	-1,800	-1,800	.00	.00	.00	-1,800.00	.0%
73127400 59414 ER CONTR-HOMELAND S	-3,500	-3,500	.00	.00	.00	-3,500.00	.0%
73127400 59415 ER CONTR-GYPSY MOTH	-2,000	-2,000	.00	.00	.00	-2,000.00	.0%
73127400 59416 ER CONTR-HOME REHAB	-180	-180	.00	.00	.00	-180.00	.0%
73127400 59418 ER CONTR-100% TAX P	-3,200	-3,200	.00	.00	.00	-3,200.00	.0%
73127400 59419 ER CONTR-MED CARE F	-700,000	-700,000	.00	.00	.00	-700,000.00	.0%
73127400 59424 ER CONTR-SELF INSUR	-500	-500	.00	.00	.00	-500.00	.0%
73127400 59427 ER CONTR-COMM.CORRE	-3,100	-3,100	.00	.00	.00	-3,100.00	.0%
73127400 59429 ER CONTR-F.O.C. FUN	-2,100	-2,100	.00	.00	.00	-2,100.00	.0%
73127400 59430 ER CONTR-HOUSING FU	-6,800	-6,800	.00	.00	.00	-6,800.00	.0%
73127400 59434 ER CONTR-LOCAL CFO	0	0	.00	.00	.00	.00	.0%
73127400 59499 ER CONTR-SHERIFF DE	0	0	.00	.00	.00	.00	.0%
73127400 59501 EE CONTR-BEHAVE.HEA	-580,000	-580,000	.00	.00	.00	-580,000.00	.0%

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		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 59502	EE CONTR-MOSQUITO C	-12,500	-12,500	.00	.00	.00	-12,500.00	.0%
73127400 59503	EE CONTR-HEALTH FUN	-60,000	-60,000	.00	.00	.00	-60,000.00	.0%
73127400 59504	EE CONTR-ROAD COMMI	-130,000	-130,000	.00	.00	.00	-130,000.00	.0%
73127400 59506	EE CONTR-LIBRARY	-75,000	-75,000	.00	.00	.00	-75,000.00	.0%
73127400 59507	EE CONTR-GOLF COURS	-4,800	-4,800	.00	.00	.00	-4,800.00	.0%
73127400 59508	EE CONTR-GENERAL FU	-500,000	-500,000	.00	.00	.00	-500,000.00	.0%
73127400 59509	EE CONTR-DWS	-85,000	-85,000	.00	.00	.00	-85,000.00	.0%
73127400 59510	EE CONTR-911 SERVIC	-62,000	-62,000	.00	.00	.00	-62,000.00	.0%
73127400 59511	EE CONTR-CHILD CARE	-40,000	-40,000	.00	.00	.00	-40,000.00	.0%
73127400 59512	EE CONTR-DIV ON AGI	-43,000	-43,000	.00	.00	.00	-43,000.00	.0%
73127400 59513	EE CONTR-RETIRE SYS	-1,800	-1,800	.00	.00	.00	-1,800.00	.0%
73127400 59514	EE CONTR-HOMELAND S	0	0	.00	.00	.00	.00	.0%
73127400 59515	EE CONTR-GYPSY MOTH	-1,900	-1,900	.00	.00	.00	-1,900.00	.0%
73127400 59516	EE CONTR-HOME REHAB	-180	-180	.00	.00	.00	-180.00	.0%
73127400 59518	EE CONTR-100% TAX P	-3,000	-3,000	.00	.00	.00	-3,000.00	.0%
73127400 59519	EE CONTR-MED CARE F	-380,000	-380,000	.00	.00	.00	-380,000.00	.0%
73127400 59524	EE CONTR-SELF INSUR	-400	-400	.00	.00	.00	-400.00	.0%
73127400 59527	EE CONTR-COMM.CORRE	-3,100	-3,100	.00	.00	.00	-3,100.00	.0%
73127400 59529	EE CONTR-F.O.C. FUN	-2,100	-2,100	.00	.00	.00	-2,100.00	.0%
73127400 59530	EE CONTR-HOUSING FU	-6,800	-6,800	.00	.00	.00	-6,800.00	.0%
73127400 59534	EE CONTR.LOCAL CFO	0	0	.00	.00	.00	.00	.0%
73127400 59599	EE CONTR-SHERIFF DE	-245,000	-245,000	.00	.00	.00	-245,000.00	.0%
TOTAL LOCAL UNIT CONTRIBUT		-5,738,760	-5,738,760	.00	.00	.00	-5,738,760.00	.0%
RP INTEREST & RENTALS								
73127400 66400	INVESTMENT INTEREST	-5,000,000	-5,000,000	.00	.00	.00	-5,000,000.00	.0%
73127400 66500	GAIN ON SALE OF INV	-15,000,000	-15,000,000	.00	.00	.00	-15,000,000.00	.0%
73127400 66501	UNREALIZED GAIN ON	-3,000,000	-3,000,000	.00	.00	.00	-3,000,000.00	.0%
73127400 66502	GAIN ON FOREIGN CUR	-40,000	-40,000	.00	.00	.00	-40,000.00	.0%
73127400 66600	SECURITIES LENDING	-300,000	-300,000	.00	.00	.00	-300,000.00	.0%
TOTAL INTEREST & RENTALS		-23,340,000	-23,340,000	.00	.00	.00	-23,340,000.00	.0%
RR OTHER REVENUE								
73127400 67104	MISCELLANOUS REVENU	0	0	.00	.00	.00	.00	.0%
73127400 67600	REIMBURSEMENTS	0	0	.00	.00	.00	.00	.0%
73127400 67601	REIMBURSEMENT - IND	0	0	.00	.00	.00	.00	.0%

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	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 68900 TRADE-IN ALLOWANCE	0	0	.00	.00	.00	.00	.0%
73127400 69000 COMMISSION RECAPTUR	-25,000	-25,000	.00	.00	.00	-25,000.00	.0%
73127400 69200 CLAIMS/SETTLEMENTS/	-150,000	-150,000	.00	.00	.00	-150,000.00	.0%
TOTAL OTHER REVENUE	-175,000	-175,000	.00	.00	.00	-175,000.00	.0%
XE WAGES & SALARIES							
73127400 70300 SALARIES-ELECTED OR	57,460	57,460	2,647.53	.00	.00	54,812.47	4.6%
73127400 70500 TEMPORARY HELP	12,740	12,740	2,471.96	.00	.00	10,268.04	19.4%
73127400 70501 PART TIME WAGES	7,349	7,349	763.05	.00	.00	6,585.95	10.4%
73127400 70600 OVERTIME	2,809	2,809	.00	.00	.00	2,809.00	.0%
73127400 70800 HOLIDAY PAY	0	0	342.11	.00	.00	-342.11	100.0%
73127400 71000 PER DIEM	3,420	3,420	180.00	.00	.00	3,240.00	5.3%
73127400 71200 VACATION PAY	0	0	.00	.00	.00	.00	.0%
73127400 71202 SICK PAY	0	0	.00	.00	.00	.00	.0%
73127400 71203 TERMINATION SICK PA	0	0	.00	.00	.00	.00	.0%
73127400 71204 TERMINATION VACTION	0	0	.00	.00	.00	.00	.0%
TOTAL WAGES & SALARIES	83,778	83,778	6,404.65	.00	.00	77,373.35	7.6%
XF FRINGES							
73127400 71500 SOCIAL SECURITY	4,740	4,740	476.21	.00	.00	4,263.79	10.0%
73127400 71600 HEALTH INSURANCE	17,592	17,592	.00	.00	.00	17,592.00	.0%
73127400 71603 RETIREE HEALTH CARE	0	0	.00	.00	.00	.00	.0%
73127400 71632 EMPLOYEE INCENTIVE	219	219	.00	.00	.00	219.00	.0%
73127400 71700 LIFE INSURANCE	131	131	3.60	.00	.00	127.40	2.7%
73127400 71800 RETIREMENT	4,598	4,598	226.84	.00	.00	4,371.16	4.9%
73127400 71900 OTHER FRINGE BENEFI	652	652	.00	.00	.00	652.00	.0%
73127400 72001 SIF ADMINISTRATION	111	111	10.58	.00	.00	100.42	9.5%
73127400 72100 WORKERS' COMPENSATI	163	163	15.56	.00	.00	147.44	9.5%
73127400 72200 SICK AND ACCIDENT I	391	391	19.28	.00	.00	371.72	4.9%
73127400 72500 UNEMPLOYMENT COMPEN	358	358	34.23	.00	.00	323.77	9.6%
TOTAL FRINGES	28,955	28,955	786.30	.00	.00	28,168.70	2.7%
XI SUPPLIES							
73127400 72700 OFFICE SUPPLIES	2,000	2,000	.00	.00	.00	2,000.00	.0%

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	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 72702 BOOK SUPPLIES	0	0	.00	.00	.00	.00	.0%
73127400 72800 PRINTING AND BINDIN	1,000	1,000	34.50	.00	.00	965.50	3.5%
73127400 72900 POSTAGE	300	300	.00	.00	.00	300.00	.0%
73127400 73000 MAGAZINES AND PERIO	600	600	.00	.00	.00	600.00	.0%
73127400 73301 COPIER / FAX SUPPLI	500	500	.00	.00	.00	500.00	.0%
73127400 74200 FOOD SUPPLIES	150	150	.00	.00	.00	150.00	.0%
73127400 74700 PHOTO & MICROFILM/F	0	0	.00	.00	.00	.00	.0%
73127400 75100 COMPUTER SUPPLIES	1,500	1,500	.00	.00	.00	1,500.00	.0%
TOTAL SUPPLIES	6,050	6,050	34.50	.00	.00	6,015.50	.6%
XL OTHER SERVICES AND C							
73127400 80100 PROFESSIONAL SERVIC	1,500,000	1,500,000	.00	.00	.00	1,500,000.00	.0%
73127400 80101 ACTUARIAL SERVICES	40,000	40,000	.00	.00	.00	40,000.00	.0%
73127400 80200 CONTRACTUAL SERVICE	0	0	.00	.00	.00	.00	.0%
73127400 81200 MEDICAL SERVICES	1,000	1,000	.00	.00	.00	1,000.00	.0%
73127400 81400 INVESTMENT/BANK SER	230,000	230,000	.00	.00	.00	230,000.00	.0%
73127400 81700 LEGAL FEES	7,500	7,500	.00	.00	.00	7,500.00	.0%
73127400 81900 CONSULTANTS	125,000	125,000	35,000.00	.00	.00	90,000.00	28.0%
73127400 82000 MEMBERSHIPS AND DUE	550	550	.00	.00	.00	550.00	.0%
73127400 82900 FILING FEES	250	250	.00	.00	.00	250.00	.0%
73127400 83500 HEALTH SERVICES	0	0	.00	.00	.00	.00	.0%
73127400 85200 TELEPHONE	420	420	1.51	.00	.00	418.49	.4%
73127400 86100 CONFERENCE FEES & E	15,000	15,000	.00	.00	.00	15,000.00	.0%
73127400 86500 STATE TRAVEL MILEAG	2,000	2,000	.00	.00	.00	2,000.00	.0%
73127400 86600 LOCAL TRAVEL MILEAG	300	300	19.21	.00	.00	280.79	6.4%
73127400 87500 PENSION PAYMENTS	13,000,000	13,000,000	.00	.00	.00	13,000,000.00	.0%
73127400 90000 PRINTING/PUBLISHING	500	500	.00	.00	.00	500.00	.0%
73127400 90100 LEGAL NOTICES	1,000	1,000	.00	.00	.00	1,000.00	.0%
73127400 93100 EQUIPMENT REPAIR &	500	500	.00	.00	.00	500.00	.0%
73127400 94601 EQUIPMENT RENTAL-CO	5,000	5,000	.00	.00	.00	5,000.00	.0%
73127400 95500 MISCELLANEOUS	500	500	.00	.00	.00	500.00	.0%
73127400 95600 INDIRECT COST EXPEN	95,437	95,437	.00	.00	.00	95,437.00	.0%
73127400 96000 EDUCATION AND TRAIN	1,500	1,500	.00	.00	.00	1,500.00	.0%
73127400 96200 LOSS ON DISPOSAL OF	10,000,000	10,000,000	.00	.00	.00	10,000,000.00	.0%
73127400 96201 UNREALIZED LOSS ON	0	0	.00	.00	.00	.00	.0%
73127400 96203 LOSS ON FOREIGN CUR	100,000	100,000	.00	.00	.00	100,000.00	.0%
73127400 96401 CONTRIB REFUND-GENE	60,000	60,000	.00	.00	.00	60,000.00	.0%
73127400 96402 CONTRIB REFUND-SHER	5,000	5,000	.00	.00	.00	5,000.00	.0%
73127400 96403 CONTRIB REFUND-ROAD	5,000	5,000	.00	.00	.00	5,000.00	.0%
73127400 96404 CONTRIB REFUND-MED	40,000	40,000	.00	.00	.00	40,000.00	.0%

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JANUARY 2014

FOR 2014 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73127400 96405 CONTRIB REFUND-B.A.	50,000	50,000	.00	.00	.00	50,000.00	.0%
73127400 96406 CONTRIB REFUND-D.W.	5,000	5,000	.00	.00	.00	5,000.00	.0%
73127400 96407 CONTRIB REFUND-LIBR	5,000	5,000	.00	.00	.00	5,000.00	.0%
73127400 96500 INSURANCE AND BONDS	22,000	22,000	.00	.00	.00	22,000.00	.0%
73127400 96730 MACHINERY & EQUIPME	2,000	2,000	.00	.00	.00	2,000.00	.0%
73127400 96740 OFFICE EQUIP.& FURN	1,000	1,000	.00	.00	.00	1,000.00	.0%
73127400 96741 COMPUTER HARDWARE E	0	0	.00	.00	.00	.00	.0%
73127400 96742 COMPUTER SOFTWARE E	0	0	.00	.00	.00	.00	.0%
73127400 96770 BOOK EXPENSE	0	0	.00	.00	.00	.00	.0%
73127400 96999 BUDGET REDUCTION TA	0	0	.00	.00	.00	.00	.0%
TOTAL OTHER SERVICES AND C	25,321,457	25,321,457	35,020.72	.00	.00	25,286,436.28	.1%
XQ CAPITAL OUTLAY							
73127400 98001 COMPUTER SOFTWARE	34,000	34,000	.00	.00	.00	34,000.00	.0%
TOTAL CAPITAL OUTLAY	34,000	34,000	.00	.00	.00	34,000.00	.0%
TOTAL RETIREMENT BOARD	0	0	42,246.17	.00	.00	-42,246.17	100.0%
TOTAL RETIREMENT SYSTEM FUND	0	0	42,246.17	.00	.00	-42,246.17	100.0%
TOTAL REVENUES	-25,474,240	-25,474,240	.00	.00	.00	-25,474,240.00	
TOTAL EXPENSES	25,474,240	25,474,240	42,246.17	.00	.00	25,431,993.83	
GRAND TOTAL	0	0	42,246.17	.00	.00	-42,246.17	100.0%

** END OF REPORT - Generated by Kim Priessnitz **

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January 14, 2014

Bay County Board of Trustees

I, Margaret Worthington, an employee of Bay-Arenac Behavioral Health, would like to request to purchase my previous service credit from January 01, 1994 to July 26, 1994, for a total of 7 months. I have all of the necessary documents filed with the Retirement Administrator.

Thank you for your consideration in approving the purchase of this previous service time.

Sincerely,

Margaret Worthington

Margaret Worthington

PURCHASE OF PREVIOUS SERVICE TIME

EMPLOYEE NAME: Margaret Worthington

DEPARTMENT	Bay Arenac Behavioral Health
JOB TITLE	Casual Emergency Service Worker
TOTAL AMOUNT OF TIME TO BUY BACK	7 months
DATES:	January 1, 1994 - July 26, 1994
PREVIOUS REFUND	$743.20
MULTIPLIED BY ACTUARY INTEREST FACTOR IN EFFECT UNTIL 7/01/2014	4.2607
AMOUNT OWED ONE YEAR FROM DATE OF APPROVAL OR PRIOR TO RETIREMENT, WHICHEVER IS EARLIER	$3,166.55

Prepared By: Janie Tacey, Retirement Administrator/accountant

G\Retirement\RetMisc\Previous Service Credit - Request to Purchase

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM
BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING
515 CENTER AVENUE, SUITE 706
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Danean Wright
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TDD (989) 895-4049
FAX (989) 895-4113

January 23, 2014

Ms. Kimberly Hyland
MFS Investment Management
500 Boylston Street 21st Floor
Boston, MA 02116

RE: COMMISSION RECAPTURE

Dear Ms. Hyland:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

Please do not hesitate to call me if you have any questions or concerns regarding this correspondence. I can be reached at 989-895-4043 or email at: taceyj@baycounty.net

Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
Jeff Black, The Bogdahn Group
Bernard Walsh, The Northern Trust Company
Kimberly Doran, ConvergEx Recapture Services

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January 23, 2014

Ms. Andrea E. Leistra
Integrity Asset Management
Munder Capital Management
480 Pierce Street
Birmingham, MI 48009

RE: COMMISSION RECAPTURE

Dear Ms. Leistra:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

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Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
Jeff Black, The Bogdahn Group
Bernard Walsh, The Northern Trust Company
Kimberly Doran, ConvergEx Recapture Services

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January 23, 2014

Mr. Patrick J. McMenamin
Hotchkis & Wiley Capital Management
725 S. Figueroa St. - 39th Floor
Los Angeles CA 90017

RE: COMMISSION RECAPTURE

Dear Mr. McMenamin:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

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Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
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January 23, 2014

Mr. Clay Lindsey
Eagle Asset Management
880 Carillon Parkway
St. Petersburg, FL 33716

RE: COMMISSION RECAPTURE

Dear Mr. Lindsey:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

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Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
Jeff Black, The Bogdahn Group
Bernard Walsh, The Northern Trust Company
Kimberly Doran, ConvergEx Recapture Services

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January 23, 2014

Ms. Lori Klomstad
Account Service Associate
Geneva Capital Management Ltd.
100 E. Wisconsin Avenue, Suite 2550
Milwaukee, WI 53202

RE: COMMISSION RECAPTURE

Dear Ms. Klomstad:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

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Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
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Bernard Walsh, The Northern Trust Company
Kimberly Doran, ConvergEx Recapture Services

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January 23, 2014

Mr. Alan Puklin
Columbia Management
100 Park Avenue - 7th Floor
New York NY 10017

RE: COMMISSION RECAPTURE

Dear Mr. Puklin:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

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Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
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January 23, 2014

Ms. Barbara Cassidy
Vice President, Relationship Mgr.
Baring Asset Management
Independence Wharf
470 Atlantic Avenue
Boston, MA 02210

RE: COMMISSION RECAPTURE

Dear Ms. Cassidy:

This letter is to advise you that ConvergEx Recapture Services is the institution of choice for the Bay County Employees' Retirement System ongoing commission recapture business. Therefore, we request that you use your best efforts in directing 30% of your equity transactions to ConvergEx in the calendar year 2014 subject to best execution.

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Sincerely,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

cc: Board of Trustees
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