BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

AGENDA

TUESDAY, SEPTEMBER 10, 2013

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

COMMISSIONERS CHAMBERS

515 CENTER AVENUE - 4TH FLOOR

BAY CITY, MI 48708

PAGE		
	I.	CALL TO ORDER
	II.	ROLL CALL
	III.	MINUTES
1 - 2		1. JULY 9, 2013 - REGULAR MEETING
3 - 5		2. AUGUST 13, 2013 - REGULAR MEETING
	IV.	PUBLIC INPUT
6 - 7		A. PORTFOLIO VALUE 1/31/12 - 9/3/13
		B. MONEY MANAGER REPORTS
		NONE
8 - 10		C. VEBA YTD BUDGET REPORT
	V.	ANNOUNCEMENTS
		A. NEXT REGULAR MEETING - TUESDAY, OCTOBER 8, 2013 IMMEDIATELY FOLLOWING THE RETIREMENT BOARD OF TRUSTEES MEETING AT APPROXIMATELY 2:30 P.M., COMMISSIONERS CHAMBERS, 515 CENTER AVENUE - 4TH FLOOR, BAY CITY, MI 48708
	VI.	UNFINISHED BUSINESS
	VII.	NEW BUSINESS
	VIII.	MISCELLANEOUS BUSINESS
	IX.	ADJOURNMENT

MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION **(VEBA)**
JULY 9, 2013
PAGE 1

The meeting, held in the Bay County Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan, was called to order by Chairman, Steve Gray at 3:23 p.m. Roll call was taken. All trustees are present.

1. Moved, supported and carried to approve the minutes, as printed, from the June 11 regular meeting.

Mr. Gray called for public input. Seeing no one from the public is present, he moved onto petitions and communications.

2. Moved, supported and carried to receive the Portfolio Value from 1/31/12 - 7/1/13. Today's value is $34,800,000.

3. Moved, supported and carried to discuss the VEBA Fund Budget at a special meeting to be scheduled with the Finance officers.

ANNOUNCEMENTS:

A. Next regularly scheduled meeting will be Tuesday, August 13, 2013 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in Commissioner's Chambers, 515 Center Avenue - 4th Floor, Bay City, MI 48708.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

MISCELLANEOUS BUSINESS: None

ADJOURNMENT:

4. Moved, supported and carried to adjourn the meeting at 3:25 p.m.

Respectfully submitted,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

Transcribed by: Naomi Wallace

MEETING OF THE **V.E.B.A.** BOARD OF TRUSTEES COMMITTEE
JULY 9, 2013

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 3:23 P.M.

OTHERS PRESENT: JEFF BLACK, HOWARD POHL, DANEAN WRIGHT

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

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

MINUTES BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION **(VEBA)**
August 13, 2013
PAGE 1

The meeting, held in the Bay County Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan, was called to order by Chairman, Steve Gray at 2:25 p.m. Roll call was taken. All trustees are present except Mr. Brzezinski, Ms. Carpenter and Mr. Pett, all of whom asked to be excused. Mr. Coonan is not present.

1. Moved, supported and carried to excuse Trustees Brzezinski, Carpenter, and Pett.

2. Moved, supported and carried to table the minutes from the July 9th regular meeting until next month.

Mr. Gray called for public input as we have a visitor present. There is no public input, and he moved on to petitions and communications.

Mr. Coonan arrives at 2:29 p.m.

Present today is Mr. Jack McMullan, Senior Vice President and Portfolio Manager of Atalanta Sosnoff, based in New York City, New York. A copy of his report was provided to all Trustees via the web.

As of August 5th of this year we outperformed the bench mark by 2.50 percentage points (22.2% vs the Russell 1000 Growth index at 19.7%). We outperformed the index in 2012 also. Mr. McMullan reviewed their history and performance cycles. He reviewed and discussed the top five contributors and the bottom five relative detractors. They put a lot of emphasis behind stock picking over the past year and a half and it seems to be working for them. In sector weightings, they are over weighted in financials with 26.5 compared to the benchmark at 8.2. Mr. McMullan concluded his presentation, answered questions from Trustees and Becker, Burke, and departed.

3. Moved, supported and carried to receive the report presented by Mr. McMullan, Atalanta Sosnoff Capital.

4. Moved, supported and carried to receive the Portfolio Value from 1/1/12 - 8/7/13. Today's value is $35 million.

5. Moved, supported and carried to receive the report from C.S. McKee ending 6/30/13.

6. Moved, supported and carried to receive the Year-to-Date Budget report for the VEBA Fund.

ANNOUNCEMENTS:

A. Next regularly scheduled meeting will be Tuesday, September 10, 2013 immediately following the Retirement Board of Trustees Meeting at approximately 2:30 p.m. in Commissioner's Chambers, 515 Center Avenue - 4th Floor, Bay City, MI 48708.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

MISCELLANEOUS BUSINESS: None

ADJOURNMENT:

7. Moved, supported and carried to adjourn the meeting at 3:00 p.m.

Respectfully submitted,

Crystal Hebert

Crystal Hebert
Finance Officer/Secretary

Transcribed by: Naomi Wallace

MEETING OF THE **V.E.B.A.** BOARD OF TRUSTEES COMMITTEE
AUGUST 13, 2013

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 2:25 P.M.

OTHERS PRESENT: JEFF BLACK, HOWARD POHL, DANEAN WRIGHT, CRYSTAL HEBERT

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

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

Favorites

03 SEP 13

Account number BCVEBA

BAY COUNTY VEBA CONSOLIDATED

◆Mgr Mix VEBA

Account Name/ Account 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-VEBA CASH	0.00	1,446,040.85	0.00	0.00	0.00	0.00	1,446,040.85
2611831	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	4.11%
BAYCO - VEBA DODGE & COX BAL	0.00	0.07	6,648,860.52	0.00	0.00	0.00	6,648,860.59
2613001	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	18.88%
BAYCO-VEBA CS MCKEE	0.00	244,470.83	0.00	13,434,538.91	0.00	8,258.14	13,687,267.88
2643882	0.00%	1.79%	0.00%	98.15%	0.00%	0.06%	38.88%
BAYCO VEBA LORD ABBOTT FD	0.00	0.00	7,248,469.42	0.00	0.00	0.00	7,248,469.42
2643890	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	20.59%
BAYCO - VEBA ATALANTA SOSNOFF	0.00	97,665.09	6,023,975.64	0.00	0.00	55,922.42	6,177,563.15
2646670	0.00%	1.58%	97.51%	0.00%	0.00%	0.91%	17.55%
Total for consolidation	**0.00**	**1,788,176.84**	**19,921,305.58**	**13,434,538.91**	**0.00**	**64,180.56**	**35,208,201.89**
% for consolidation	**0.00%**	**5.08%**	**56.58%**	**38.16%**	**0.00%**	**0.18%**	**100.00%**

VEBA PORTFOLIO VALUE

2012	DODGE & COX	CASH	ATALANTA SOSNOFF	LORD ABBETT	CS MCKEE	TOTAL
JAN	4,744,381.74	23,341.91	4,774,929.28	5,782,203.49	13,556,991.23	28,881,847.65
FEB	4,957,686.81	141,703.43	5,003,798.19	5,958,731.82	13,575,896.75	29,637,817.00
MARCH	5,085,201.22	156,067.52	5,169,110.21	6,012,771.11	13,509,994.85	29,933,144.91
APRIL	5,991,155.39	186,068.57	5,127,801.08	5,023,538.22	13,645,204.77	29,973,768.03
MAY	4,670,417.74	207,434.25	4,752,087.80	5,468,775.64	13,750,484.96	28,849,200.39
JUNE	4,944,848.31	218,278.51	4,926,255.06	5,620,085.64	13,816,486.70	29,525,954.22
JULY	5,023,826.66	237,546.65	4,973,210.73	5,558,841.11	13,958,821.07	29,752,246.22
AUG	5,169,289.62	240,122.51	5,109,739.12	5,738,972.06	13,987,861.42	30,245,984.73
SEPT	5,324,980.74	262,359.53	5,263,322.60	5,850,653.25	14,149,694.74	30,851,010.86
OCT	5,292,298.41	293,624.23	5,171,534.01	5,847,050.63	14,060,815.46	30,665,322.74
NOV	5,332,143.99	318,414.45	5,929,910.87	5,216,474.90	14,100,074.44	30,897,018.65
DEC	5,476,853.70	336,925.05	5,268,580.73	6,070,413.01	14,078,467.83	31,231,240.32

2013	DODGE & COX	CASH	ATALANTA SOSNOFF	LORD ABBETT	CS MCKEE	TOTAL
JAN	5,813,821.72	973,027.66	5,521,741.71	6,531,548.24	14,006,372.20	32,846,511.53
FEB	5,856,055.05	1,003,898.82	5,584,735.85	6,636,024.19	14,078,939.69	33,159,653.60
MARCH	6,119,927.66	1,080,486.88	5,772,645.27	6,924,233.71	14,094,198.97	33,991,492.49
APRIL	6,238,139.18	1,125,133.85	5,870,711.43	6,924,233.71	14,215,079.35	34,373,297.52
MAY	6,433,955.21	1,110,182.75	6,143,603.47	7,165,609.19	14,009,748.48	34,863,099.10
JUNE	6,438,123.75	1,154,912.16	6,009,232.04	7,068,338.47	13,781,061.60	34,451,668.02
JULY	6,785,726.23	1,151,461.65	6,339,707.03	7,497,050.13	13,803,896.72	35,577,841.76
AUG	6,596,742.88	1,446,039.65	6,112,624.22	7,223,251.09	13,744,470.95	35,123,128.79
SEPT						0.00
OCT						0.00
NOV						0.00
DEC						0.00

VEBA

Bay County, Michigan

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
7360 PUBLIC EMPLOYEE HEALTH CARE							
73627401 VOL.EMPLOYEE BENEF.ASSOC.BOARD							
RA FUND BALANCE, NET AS							
73627401 40001 FUND BALANCE	13,535	13,535	.00	.00	.00	13,535.00	.0%
73627401 40004 NET ASSETS - RESERV	-99,400	-99,400	.00	.00	.00	-99,400.00	.0%*
TOTAL FUND BALANCE, NET AS	-85,865	-85,865	.00	.00	.00	-85,865.00	.0%
RJ LOCAL UNIT CONTRIBUT							
73627401 59401 EMPLOYER CONTRIB-BE	0	0	.00	.00	.00	.00	.0%
73627401 59402 EMPLOYER CONTRIB-MO	0	0	.00	.00	.00	.00	.0%
73627401 59403 EMPLOYER CONTRIB-HE	0	0	.00	.00	.00	.00	.0%
73627401 59404 EMPLOYER CONTRIB-RO	0	0	.00	.00	.00	.00	.0%
73627401 59406 EMPLOYER CONTRIB-LI	0	0	.00	.00	.00	.00	.0%
73627401 59407 EMPLOYER CONTRIB-GO	0	0	.00	.00	.00	.00	.0%
73627401 59408 EMPLOYER CONTRIB-GE	0	0	.00	.00	.00	.00	.0%
73627401 59409 EMPLOYER CONTRIB-DW	0	0	.00	.00	.00	.00	.0%
73627401 59410 EMPLOYER CONTRIB-91	0	0	.00	.00	.00	.00	.0%
73627401 59411 EMPLOYER CONTRIB-CH	0	0	.00	.00	.00	.00	.0%
73627401 59412 EMPLOYER CONTRIB-DI	0	0	.00	.00	.00	.00	.0%
73627401 59413 EMPLOYER CONTRIB-RE	0	0	.00	.00	.00	.00	.0%
73627401 59415 EMPLOYER CONTRIB-GY	0	0	.00	.00	.00	.00	.0%
73627401 59416 EMPLOYER CONTRIB-HO	0	0	.00	.00	.00	.00	.0%
73627401 59418 EMPLOYER CONTRIB-10	0	0	.00	.00	.00	.00	.0%
73627401 59419 EMPLOYER CONTRIB-ME	0	0	.00	.00	.00	.00	.0%
73627401 59424 EMPLOYER CONTRIB-SE	0	0	.00	.00	.00	.00	.0%
73627401 59427 EMPLOYER CONTRIB-CO	0	0	.00	.00	.00	.00	.0%
73627401 59429 EMPLOYER CONTRIB-F.	0	0	.00	.00	.00	.00	.0%
73627401 59430 EMPLOYER CONTRIB-HO	0	0	.00	.00	.00	.00	.0%
73627401 59433 EMPLOYER CONTRIB-SO	0	0	.00	.00	.00	.00	.0%
73627401 59499 EMPLOYER CONTRIB-SH	0	0	.00	.00	.00	.00	.0%
TOTAL LOCAL UNIT CONTRIBUT	0	0	.00	.00	.00	.00	.0%
RP INTEREST & RENTALS							
73627401 66400 INVESTMENT INTEREST	0	0	.00	.00	.00	.00	.0%

8

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73627401 66500 GAIN ON SALE OF INV	0	0	.00	.00	.00	.00	.0%
73627401 66501 UNREALIZED GAIN ON	0	0	.00	.00	.00	.00	.0%
TOTAL INTEREST & RENTALS	0	0	.00	.00	.00	.00	.0%
RR OTHER REVENUE							
73627401 67104 MISCELLANOUS REVENU	0	0	.00	.00	.00	.00	.0%
TOTAL OTHER REVENUE	0	0	.00	.00	.00	.00	.0%
XE WAGES & SALARIES							
73627401 71000 PER DIEM	360	360	.00	.00	.00	360.00	.0%
TOTAL WAGES & SALARIES	360	360	.00	.00	.00	360.00	.0%
XI SUPPLIES							
73627401 72700 OFFICE SUPPLIES	50	50	.00	.00	.00	50.00	.0%
73627401 72800 PRINTING AND BINDIN	150	150	.00	.00	.00	150.00	.0%
73627401 72900 POSTAGE	100	100	.92	.00	.00	99.08	.9%
73627401 75100 COMPUTER SUPPLIES	50	50	.00	.00	.00	50.00	.0%
TOTAL SUPPLIES	350	350	.92	.00	.00	349.08	.3%
XL OTHER SERVICES AND C							
73627401 80100 PROFESSIONAL SERVIC	0	0	41,611.85	.00	.00	-41,611.85	100.0%*
73627401 80101 ACTUARIAL SERVICES	40,000	40,000	35,000.00	.00	.00	5,000.00	87.5%
73627401 81400 INVESTMENT/BANK SER	6,000	6,000	.00	.00	.00	6,000.00	.0%
73627401 81700 LEGAL FEES	7,500	7,500	.00	.00	.00	7,500.00	.0%
73627401 81900 CONSULTANTS	30,000	30,000	12,875.00	.00	.00	17,125.00	42.9%
73627401 86600 LOCAL TRAVEL MILEAG	0	0	.00	.00	.00	.00	.0%
73627401 94601 EQUIPMENT RENTAL-CO	55	55	.00	.00	.00	55.00	.0%
73627401 95600 INDIRECT COST EXPEN	0	0	.00	.00	.00	.00	.0%

FOR 2013 13

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
73627401 96200 LOSS ON DISPOSAL OF	0	0	.00	.00	.00	.00	.0%
73627401 96201 UNREALIZED LOSS ON	0	0	.00	.00	.00	.00	.0%
73627401 96500 INSURANCE AND BONDS	1,600	1,600	2,636.93	.00	.00	-1,036.93	164.8%*
TOTAL OTHER SERVICES AND C	85,155	85,155	92,123.78	.00	.00	-6,968.78	108.2%
TOTAL VOL.EMPLOYEE BENEF.ASSOC.BO	0	0	92,124.70	.00	.00	-92,124.70	100.0%
TOTAL PUBLIC EMPLOYEE HEALTH CARE	0	0	92,124.70	.00	.00	-92,124.70	100.0%
TOTAL REVENUES	-85,865	-85,865	.00	.00	.00	-85,865.00	
TOTAL EXPENSES	85,865	85,865	92,124.70	.00	.00	-6,259.70	
GRAND TOTAL	0	0	92,124.70	.00	.00	-92,124.70	100.0%

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

10