ORDER OF BUSINESS

Meeting Called to Order
Scott Miller called the meeting to order at 8:36 am

Roll Call:
Monica Boote called the roll

WCERS Members Present: Kelly Belknap, Nancy Heine, Ruth Ann Jamnick, Corey Mason (8:41) Scott Miller, Katie Scott (8:46)

WCERS Members Absent: Gregory Dill

Others Present: Monica Boote, Chyanne Duncan, Sarah Erskine, Zachery Bryant, Human Resources; Catherine McClary, Washtenaw County Treasurer; Tom Michaud, VanOverbeke, Michaud & Timmony (8:51); Timothy Brice, Amy Cole, Graystone Consulting; Roberta Allen, AWARE Representative

Public Participation
None

Approval of Minutes
A. August 27, 2019 - Regular Meeting
B. September 17, 2019 – Special Meeting

K. Belknap seconded by N. Heine to approve the regular session minutes of August 27, 2019 and the special session minutes of September 17, 2019. All in favor, motion carried.

Approval of Consent and Regular Agenda
N. Heine seconded by R. Jamnick to approve the Consent and Regular Agenda. All in favor, motion carried.

CONSENT AGENDA

A. Communications
1. Washtenaw County Finance, Contributions/Distributions as of 09.30.2019
2. Brandywine, Monthly Commentary September 2019
3. JP Morgan SPF, Monthly Flash Report September 2019
4. JP Morgan SSPF, Monthly Flash Report September 2019
5. JP Morgan SPF, Monthly Transaction Statement September 2019
6. JP Morgan SSPF, Monthly Transaction Statement September 2019
7. Morgan Stanley, Client Statement July 2019

B. Communications on File
1. Brandywine, August 2019 – September 2019 Reporting
2. JP Morgan, SPF, 2Q19 - 3Q19 Reporting
3. JP Morgan, SSPF, 2Q19 - 3Q19 Reporting
5. JP Morgan, SSPF, July 2019 – September 2019 Monthly Reporting
6. JP Morgan, Mid Cap/Multi-Cap Funds Annual Report 06.30.2019
7. Loomis Sayles, August 2019 Reporting
8. McMorgan, 1Q19 – 2Q19 Statements
9. McMorgan, 2018, 12 Schedule K-1
10. Morgan Stanley, August 2019 Monthly Reporting
C. Invoices Pending Ratification

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Description of Services</th>
<th>Amount Due</th>
<th>Invoice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buck</td>
<td>Services Rendered for July 2019</td>
<td>$833.34</td>
<td>0500672WCERS</td>
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<tr>
<td>Buck</td>
<td>Services Rendered for August 2019</td>
<td>$833.33</td>
<td>0501604WCERS</td>
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<tr>
<td>JP Morgan SPF and SSPF</td>
<td>Investment Management Fees 2Q19</td>
<td>$116,390.80</td>
<td>20190630-16974-A</td>
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<td>Morgan Stanley</td>
<td>Investment Advisory Fees 1Q19</td>
<td>$20,000.00</td>
<td>10024519120</td>
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<tr>
<td>Washtenaw County</td>
<td>1Q19 Administrative Services</td>
<td>$80,540.00</td>
<td>033</td>
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<td>Washtenaw County</td>
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<td>$80,540.00</td>
<td>035</td>
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D. Service Retirement Application

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Employee Group</th>
<th>Retirement Date</th>
<th>Type</th>
<th>Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brush, Andrew</td>
<td>OIM</td>
<td>Non-Union</td>
<td>09.01.2019</td>
<td>Service</td>
<td>Position Elimination</td>
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<tr>
<td>DeRose, Theresa</td>
<td>CMH</td>
<td>Non-Union</td>
<td>11.01.2019</td>
<td>Service</td>
<td>Age 60 with 8 years</td>
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<tr>
<td>Shovels, John</td>
<td>CMH</td>
<td>Non-Union</td>
<td>10.01.2019</td>
<td>Service</td>
<td>Rule of 75, minimum age 50</td>
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</table>

E. Service Retirement Finals

<table>
<thead>
<tr>
<th>Name</th>
<th>Retirement Date</th>
<th>Employee Group</th>
<th>Type</th>
<th>FAC</th>
<th>Years of Service</th>
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</thead>
<tbody>
<tr>
<td>Brush, Andrew</td>
<td>9.01.2019</td>
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<td>Ciolek, Robert</td>
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<td>Service</td>
<td>$118,410.60</td>
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<td>Dean, David</td>
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<td>Non Union</td>
<td>Service</td>
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<td>Kettinger, Timothy</td>
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<td>2733A</td>
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<td>$78,496.32</td>
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<td>Palmer, Paquetta</td>
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<td>17Y 3M</td>
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<td>Rabinowitz, Ellen</td>
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<td>Service</td>
<td>$145,417.20</td>
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F. Intent to Purchase Prior Public / Military Service

1. Prior Public
   None
2. Prior Military
   None

G. Final Purchase Approval Resolutions – Prior Public / Military Service

1. Prior Public
   None
2. Prior Military
   None

H. Application for Refund of Contributions & Termination of Membership Pending Ratification

<table>
<thead>
<tr>
<th>Name</th>
<th>Termination Date</th>
<th>Vested</th>
<th>Approximate Distribution Amount</th>
</tr>
</thead>
</table>
I. Application for Deferred Retirement Benefit
None

J. Pension Benefit Changes

1. Sherrod, Gary
   Date of Death: August 18, 2019
   Pension Election: Option 1 – Straight Life
   Payment to Beneficiary: N/A
   Death Benefit Beneficiary: Denise Sherrod
   Death Benefit Amount: $2,000

K. EDRO / DRO
None

REGULAR AGENDA

Investment Consultant’s Report – Amy Cole and Tim Brice
3Q19 Performance Report
Ms. Cole discussed the quarterly performance through the end of September. The total fund is up .37% for the 3rd quarter, and 11.71% year to date. The appreciation for the year is $29 million, putting the total market value up to $276 million. The asset allocations are currently 33% in US large equities, 5% in US small equities, 23% in international equities, 22% in fixed income, 15% in real estate, and just over 1% in cash. She stated the portfolio is starting to have value stocks outperforming and international is currently outperforming domestic.

On the Market
Mr. Brice discussed the On the Market Report, stating stocks are currently at the same level they were a year ago, due to Brexit, the Trade and Tariff war, and the decrease with federal interest rates. He stated there is a possibility of a recession in the next 12 to 24 months. The potential recession could be delayed with the possible agreement on Brexit, as well as the Trade and Tariff war may be coming to an end.

Rebalance Recommendation
Ms. Cole stated that they recommend removing $2 million from Vanguard total stock market, $2 million from Vanguard developed market, and $1 million from Loomis core plus, and move the sum into cash reserves, totaling $8.6 million in cash. This money movement will provide WCERS with roughly six months of cash available.

C. Mason seconded by K. Belknap to approve moving $2 million from Vanguard total stock market, $2 million from Vanguard developed market, and $1 million from Loomis core plus, all to cash reserves. All in favor, motion carried.

Legal Advisor’s Report – Tom Michaud
None

Other Advisor’s Comments
None

Unfinished Business
None

Retirement Administrator’s Report – Monica Boote
M. Boote gave a brief update regarding the WCERS election.

Mr. Michaud then gave a brief historical perspective of the Boards past Actuarial firms.

New Business
Actuarial RFP #7763 Interviews
Cavanaugh Macdonald Consulting, LLC; represented by Larry Langer, Brad Wild, and Wendy Ludbrook, jointly presented their prepared presentation for the Boards.

Gabriel, Roeder, Smith & Company; represented by Kenneth Alberts, Casey Ahlbrandt-Rains, and Zari Gano jointly presented the presentation for the Boards.

The Boards then gave each trustee, as well as the Treasurer and Human Resources Staff, an opportunity to provide their overview and thoughts regarding each firm.

K. Belknap seconded by K. Scott to accept Cavanaugh Macdonald, subject to contract negotiation, as new actuarial firm. All in favor, motion carried.

T. Gavalier seconded by D. Heidt to accept Cavanaugh Macdonald, subject to contract negotiation, as new actuarial firm. All in favor, motion carried.

Report of the Chair
S. Miller discussed the election and requested that Trustees encourage WCERS members to participate.

Issues, Concerns and Trustee Comments

Adjournment
C. Mason seconded by K. Belknap to adjourn at 11:55am. All in favor, motion carried.

T. Gavalier seconded by D. Heidt to adjourn at 11:55am. All in favor, motion carried.

Upcoming Board Meeting

- Regular Meeting, November 26, 2019 at 8:30 am
  BOC Conference Room,
  220 North Main Street, Ann Arbor, MI 48107