

**CITY OF ANN ARBOR RETIREE HEALTH CARE BENEFIT PLAN & TRUST
BOARD OF TRUSTEES
Minutes for the Regular Board Meeting
July 15, 2010**

The meeting was called to order by Nancy Sylvester, Chairperson, at 11:25 a.m.

ROLL CALL

Members Present: Clark, Kaur, Monroe, Nerdrum, Sylvester
Members Absent: Crawford, Flack, Fraser, Hescheles
Staff Present: Kluczynski, Powell, Refalo
Others: Michael VanOverbeke, Legal Counsel

AUDIENCE COMMENTS - None

A. APPROVAL OF REVISED AGENDA

Mr. Powell noted that correspondence has been received from SouthernSun Asset Management regarding their Change in Control (Item D-1).

It was **moved** by Nerdrum and **seconded** by Clark to approve the agenda as revised.
Approved

B. APPROVAL OF MINUTES

B-1 June 17, 2010 Regular Retiree Health Care Benefit Plan & Trust Board Meeting

It was **moved** by Nerdrum and **seconded** by Monroe to approve the June 17, 2010 Board meeting minutes as submitted.

Approved

C. CONSENT AGENDA - None

D. ACTION ITEMS

D-1 SouthernSun Asset Management – Change in Control

Mr. Powell stated that Southern Sun has recently announced an ownership change, and under the proposed new ownership structure, senior employees of SouthernSun will become the majority owners of the firm. Gray & Company has reviewed the proposed changes and recommends completing the assignment form sent by SouthernSun.

It was **moved** by Kaur and **seconded** by Nerdrum to approve the amendment to the contract with SouthernSun Asset Management as noted in the correspondence.

Approved

E. DISCUSSION ITEMS - None

F. REPORTS

F-1 Investment Policy Committee Minutes – No Report

F-2 Preliminary Investment Reports for the Month Ended June 30, 2010

N. Gail Jarskey, Accountant, submitted the Financial Report for the month ended June 30, 2010, to the Board of Trustees:

6/30/2010 Asset Value (Preliminary)	\$63,668,045
5/31/2010 Asset Value (Audited by Northern)	\$65,913,379
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	\$-476,813
Percent Gain <Loss>	-0.8%
July 14, 2010 Asset Value	\$65,432,299

F-3 Legal Report –No Report

G. TRUSTEE COMMENTS - None

H. FUTURE AGENDA ITEMS - None

I. INFORMATION

I-1 Record of Paid Invoices

The following invoices have been paid since the last Board meeting.

	PAYEE	AMOUNT	DESCRIPTION
1	Gray & Company	1,510.51	Investment Consultant Retainer – May 2010
2	Chicago Equity Partners	1,251.06	Investment Management Fees
	TOTAL	2,761.57	

I-2 Letter to Audit Committee from Abraham & Gaffney

Mr. Powell stated that Abraham & Gaffney has submitted a letter to the Audit Committee regarding their responsibilities and procedures in conducting the next Audit.

J. ADJOURNMENT

It was **moved** by Nerdrum and **seconded** by Kaur to adjourn the meeting at 11:28 a.m.
Meeting adjourned at 11:28 a.m.

**Willie J. Powell, Executive Director
City of Ann Arbor Employees' Retirement System**