

**City of Ann Arbor Employees' Retirement System
Minutes for the Regular Meeting
December 20, 2012**

The meeting was called to order by Jeremy Flack, Chairperson, at 8:40 a.m.

ROLL CALL

Members Present:	Clark, Crawford, Flack, Hastie, Heusel, Monroe, Nerdrum
Members Absent:	Powers, Rogers
Staff Present:	Jarskey, Kluczynski, Walker
Others:	Michael VanOverbeke, Legal Counsel Mark Kettner, Rehmann Robson Ralonda Robinson, City Employee David Diephuis, City Resident Steve Bean, City Resident

AUDIENCE COMMENTS

Steve Bean, a resident of the City of Ann Arbor, was present to discuss his concern of the state of the stock market. Mr. Bean stated that the pattern at this point is that the downside will be greater than the Great Depression, and there will be a crash because the downside is much steeper and quicker than the upside, and he believes that it will be approximately a month from now that the downturn will begin, so he suggests that the Board place its funds in a safe instrument for a couple of months, noting that the risk is potentially missing a slight upside in the meantime, but the risk in waiting and not doing so is losing 50% or more on some of these investments that the System is in. Mr. Bean stated that he is basing this on the City's annual financial report from fiscal year 2011 that is still online, but stated that he has not seen the current fiscal year report.

A. APPROVAL OF REVISED AGENDA

Revisions to the agenda include the following items:

- E-2 Revised Investment Policy Statement
- G-6 Legal Report – Update on PA 347 of 2012

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

Approved

B. APPROVAL OF MINUTES

B-1 November 15, 2012 Regular Board Meeting Minutes

It was **moved** by Nerdrum and **seconded** by Crawford to approve the November 15, 2012 Board Meeting minutes as submitted.

Approved

C. CONSENT AGENDA - None

D. EXECUTIVE SESSION – Disability Applications (2), Northern Trust Litigation/Lyondell Chemical, & Executive Director Contract

It was **moved** by Heusel and **seconded** by Clark to convene an Executive Session for the purpose of discussing the disability application and medical report regarding Ralonda Robinson.

Approved

Roll call vote:

Clark – Yes	Hastie – Yes	Nerdrum - Yes
Crawford - Yes	Heusel – Yes	Powers – Absent
Flack – Yes	Monroe - Yes	Rogers - Absent

Executive session time: 8:49 a.m. – 9:20 a.m.

It was **moved** by Heusel and **seconded** by Nerdrum that having received the medical report from Dr. Weingarden regarding Ralonda Robinson, the report indicates that Dr. Weingarden only considered the issues related to Ms. Robinson’s left knee and the surgery that accompanied that, however, it appears that the report did not address her situation regarding claims for disability with respect to fibromyalgia, osteoarthritis, and any other issues described in her application for disability, therefore it be moved that the Board send Ms. Robinson back for another independent medical examination for the additional issues that she has raised in her disability application and upon receiving that, the Board will review this situation again

Approved

It was **moved** by Clark and **seconded** by Monroe to convene an Executive Session for the purpose of discussing the disability application and medical report for Lamond Coley, the Northern Trust Litigation regarding Lyondell Chemical, and the Executive Director contract.

Approved

Roll call vote:

Clark – Yes	Hastie – Yes	Nerdrum - Yes
Crawford - Yes	Heusel – Yes	Powers – Absent
Flack – Yes	Monroe - Yes	Rogers - Absent

Executive session time: 9:26 a.m. – 10:31 a.m.

E. ACTION ITEMS

E-1 Executive Session Motions

It was **moved** by Nerdrum and **seconded** by Clark to acknowledge receipt of the independent medical examination report from Dr. Rick Giovannone dated November 21, 2012 with regard to disability applicant Lamond Coley, the action acknowledging receipt of the medical report, the Board’s review of the medical report in closed session, and noting that the doctor has provided his decision indicating that in his opinion the applicant is mentally or physically totally incapacitated from performing the customary duties of the member’s City employment, and that such incapacity will probably be permanent; the Board concurring with that report, resolves to grant Mr. Coley the disability retirement.

Approved

It was **moved** by Hastie and **seconded** by Clark to change the order of the agenda and move forward the Auditor’s report to be the next item of business.

Approved

PRESENTATION: Financial Audit for the Fiscal Years Ended June 30, 2012 and June 30, 2011

Mark Kettner from Rehmann Robson presented the Financial Audit for the fiscal years ended

6/30/12 and 6/30/2011. Mr. Kettner stated that this year's audit went very well and his firm encountered no significant difficulties in dealing with management in performing and completing the audit. The table below compares key financial information in a condensed format between the current year and the prior year:

<u>Assets</u>	<u>2012</u>	<u>2011</u>
Investments, at fair value:		
Common stock	\$18,631,111	\$81,099,649
Common stock funds	144,136,538	121,251,100
Government bonds	13,220,602	9,244,038
Government agencies	1,161,364	2,196,064
Government agency funds	25,970,750	-
Municipal bonds	615,298	-
Corporate bonds	40,236,640	42,018,417
Corporate bond funds	26,354,236	17,513,835
Bank loan participation	1,722,260	-
Government mortgage backed	17,331,293	12,708,810
Commercial mortgage backed	2,547,160	7,189,510
Asset backed securities	2,020,204	1,018,270
Non-government backed CMOs	1,858,865	1,617,917
Index linked government bonds	1,303,980	1,274,181
Other fixed income funds	-	16,554,456
Real estate	5,178,168	4,620,724
Partnerships	70,380,045	72,240,556
Hedge funds	21,812,545	14,229,744
Short-term bills and notes	363,430	2,326,137
Short-term investment funds	5,415,203	11,116,221
Portfolio cash	<u>479,135</u>	<u>3,121,005</u>
 Total investments	 400,738,827	 421,340,634
 Cash	 21,139	 21,362
Equity in City of Ann Arbor pooled cash and investments	580,580	173,336
Accrued interest and dividends	855,094	939,467
Due from the City of Ann Arbor	13,389	2,966,755
Due from broker for securities sold	6,933,535	3,240,979
Capital assets, net	<u>420,220</u>	<u>431,786</u>
 Total assets	 <u>409,562,784</u>	 <u>429,114,319</u>
 Liabilities		
Accounts payable and accrued liabilities	2,746,319	5,505,944
Due to broker for securities purchased	6,769,360	8,072,225
Mortgage payable, due in one year	22,951	21,963
Mortgage payable, due in more than one year	<u>294,710</u>	<u>317,661</u>
 Total liabilities	 <u>9,833,340</u>	 <u>13,917,793</u>
 Net assets held in trust for pension benefits	 <u>\$399,729,444</u>	 <u>\$415,196,526</u>

It was **moved** by Crawford and **seconded** by Nerdrum to receive and file the Financial Audit for the Fiscal Years Ended June 30, 2012 and June 30, 2011.

Approved

MEETING RECESSED

The Retirement Board recessed the meeting at this time in order to convene the VEBA Board meeting.

Meeting recessed at 10:56 a.m.

MEETING RECONVENED AT 11:22 A.M.

E-2 Proposed Revised Investment Policy Statement (w/Proxy Language)

Mr. Hastie stated that the Investment Policy Statement has been revised since the November Board meeting to include additional language related to voting of proxies, specifically to reflect the fact that for most investments we ask our investment managers to vote those proxies, and there are some cases where the managers do not end up voting proxies, and someone from the Retirement System or the VEBA will need to vote. The IPC would like to avoid bringing any of those motions to the full Board, i.e., electing a board of directors, committees, auditors, etc., and instead would like the IPC to have the ability to vote those proxies.

It was **moved** by Hastie and **seconded** by Crawford to approve the revised Investment Policy Statement as discussed.

Approved

E-3 Resolution to Approve Northern Trust as Transition Manager for the Transfer of the Schwartz Investment Fund to Northern Blended Credit/Treasury Index

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retirement System; and

WHEREAS, the Board of Trustees is required to act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and

WHEREAS, Meketa Investment Consultants and the Investment Policy Committee reviewed the advisability for Transition Management services on December 4, 2012, in conjunction with a discussion of the types of holdings in the Schwartz Fixed Income Portfolio; and

WHEREAS, the IPC and Meketa discussed services provided by two transition managers, Global Transition Solutions (GTS) and Northern Trust; and

WHEREAS, Meketa and the IPC recommend the selection of Northern Trust as transition manager for the Schwartz liquidation; so be it

RESOLVED, that the Board of Trustees authorizes the hiring of Northern Trust Transition Services as transitional manager for the Schwartz/Northern Trust transfer, after successful contract negotiations with Northern Trust, the Board's Legal Counsel, and the Executive Director.

It was **moved** by Hastie and **seconded** by Clark to approve the Resolution to Approve Northern Trust as Transition Manager for the Transfer of the Schwartz Investment Fund to Northern Blended Credit/Treasury Index.

Approved

E-4 IPC High-Level Review of Investment Actions in 2012 & 2013 Strategic Plan

Mr. Hastie stated that at the last IPC meeting Meketa had provided a listed summary of the Committee's actions for the last year as well as considerations for next year. Mr. Hastie reviewed the summary for the Board's information.

E-5 Member Interest Credits for 2013 Calendar Year

Ms. Walker reviewed the letter from Buck Consultants dated December 14, 2012, which indicates the following:

The computed rate of return for the fiscal year ending June 30, 2012 is 7.1%. The equivalent quarterly return is 1.73% ($1.0173 \times 1.0173 \times 1.0173 \times 1.0173 = 1.071$). Therefore, 1.73% regular interest should be credited to member accounts for the quarter ending March 31, 2013 and each of the remaining three quarters in calendar year 2013.

It was **moved** by Nerdrum and **seconded** by Crawford to receive and file the correspondence regarding the member interest crediting rate as calculated by Buck Consultants.

Approved

F. DISCUSSION ITEMS - None

G. REPORTS

G-1 Executive Report – December 20, 2012

OAKTREE PPIP

The General Partner of Oaktree PPIP Private Fund, L.P. made the following distribution to the Retirement Plan pursuant to Section 6.3(b) of the Amended and Restated Limited Partnership Agreement:

Date of Distribution: November 21, 2012

Partner's Share of Distribution: \$695,454

The General Partner of Oaktree PPIP Private Fund, L.P. made the following distribution to the Retiree Health Care Plan pursuant to Section 6.3(b) of the Amended and Restated Limited Partnership Agreement:

Date of Distribution: November 21, 2012

Partner's Share of Distribution: \$250,476

The General Partner of Oaktree PPIP Private Fund, L.P. made the following distribution pursuant to Section 6.3(b) of the Amended and Restated Limited Partnership Agreement:

Date of Distribution: December 19, 2012

Partners Share of Distribution: \$352,958

The General Partner of Oaktree PPIP Private Fund, L.P. made the following distribution pursuant to Section 6.3(b) of the Amended and Restated Limited Partnership Agreement:

Date of Distribution: December 19, 2012

Partners Share of Distribution: \$127,122

INVESCO

Invesco Mortgage Recovery Loans AIV, L.P. made a distribution to the limited partners on November 28, 2012 totaling \$8,445,009. This distribution is comprised of \$7,059,995 of return of capital and \$1,385,014 of realized gains. **Partner's allocable share of distribution: \$112,423**

AUDIT DATA

The Audit Reports for the Retirement System and the VEBA have been completed, have been reviewed by the Audit Committee on December 11th, and have been included in the Board packet.

BUCK OCS/ESS

The Buck online system is complete for all 5-year vesting employees. Buck has provided change order quotes for the 10-year vesting schedules for the various new hires and employee groups. Buck reduced the fee by 50% for this programming from the original quote of \$10,100. The new programming is in process.

CHANGE FROM SCHWARTZ TO NTGI BLEND OF INDEX FUNDS

The IPC has reviewed two proposals from GTS and Northern Trust for transition services for this transfer, and recommends Northern be utilized for this transition.

LIQUIDATION OF PENN CAPITAL

Pursuant to the high yield plan changes recommended by Meketa and accepted by the Board, Penn Capital was liquidated. The proceeds were applied to the cash account to fund benefit payments.

NORTHERN TRUST CONTACT CHANGE

Bernard Walsh at Northern will be moving to a different position within the bank. Our new contact will be:

Patrick Flanagan
Second Vice President - Relationship Manager
Phone: 312-557-8803
Fax: 312-444-3419
Email: PF22@NTRS.COM

On behalf of the System, Staff thanked Bernard for his excellent service over the past two years.

RETIREMENT SYSTEM CONDO ASSOCIATION

Magellan Properties has purchased the remaining units in the condo group occupied by the System. They will be taking over the association, hiring new services locally, and billing the System either quarterly or semi-annually for services. Magellan will be working on a budget to be provided around the end of the year. Magellan will also be working with the City to have signage approved and installed for the front of the building, so the System may display its location. Contact information is:

Rene Papo
Magellan Properties
206 S. Fifth Avenue, #450
Ann Arbor, MI 48104

tel 734-663-0645
cell 734-216-5490

G-2 City of Ann Arbor Employees' Retirement System Preliminary Report for the Month Ended November 30, 2012

N. Gail Jarskey, Accountant, submitted the Financial Report for the month ended November 30, 2012 to the Board of Trustees:

11/30/2012 Asset Value (Preliminary)	\$415,836,695
10/31/2012 Asset Value (Audited by Northern)	\$415,288,743
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	\$40,854,888
Percent Gain <Loss>	10.5%
December 19, 2012 Asset Value	\$ 419,384,808

G-3 Investment Policy Committee Minutes – December 4, 2012

Following are the Investment Policy Committee minutes from the meeting convened at 3:02 p.m. on December 4, 2012:

Member(s) Present: Clark, Flack (via telephone @3:20), Hastie, Monroe (via telephone)
Member(s) Absent: Rogers
Other Trustees Present: None
Staff Present: Kluczynski, Walker
Others Present: Henry Jaung & Ed Urban, Meketa Investment Group
David Diephuis, City Resident

INVESTMENT REVIEW

Mr. Jaung reviewed the performance report for September 30, 2012. As of September 30, 2012, the Retirement System was valued at \$418.1 million, with an increase of \$14.5 million from June 30, 2012. During the quarter, the System reported net cash outflows of approximately \$2.6 million. The Retirement System returned 4.2% for the quarter, net of fees:

- All asset class aggregates and funds had positive returns for the quarter.
- The System's return was driven primarily by domestic equity (+5.9%), international developed equity (+5.9%), and emerging market equity (+6.6%) investments.
- Investment grade bond assets gained 2.1% and high yield bonds rose 3.2% for the quarter.

TRANSITION SERVICES DISCUSSION

Meketa indicated that in late September, the Board approved the transition of the Schwartz fixed income portfolio to two index funds managed by Northern Trust Global Investments. Investment agreements with Northern Trust Global Investments were then reviewed by Fund Counsel and executed. Meketa Investment Group requested transition management proposals from GTS Advisors which managed the Funds' recent index consolidation, and Northern Trust Transition Management. The transition will involve selling all current securities in the Schwartz portfolio and making cash contributions to the Northern Trust index funds. Both managers could accomplish the transition within approximately two weeks.

The Committee discussed the comparable proposals and decided to recommend that the Board of Trustees select the Northern Trust Company to handle the fixed income transition. Mr. Urban stated

that he has received and reviewed a proposed transition agreement from Northern Trust, and will forward it to the Board's legal counsel for review before the December Board meeting.

It was **moved** by Clark and **seconded** by Flack to recommend that the Board of Trustees select The Northern Trust Company to conduct the fixed income transition as discussed.

Approved

2012 & 2013 ACTIVITIES REVIEW

Mr. Jaung reviewed the 2012 Fund Activities and next steps for 2013, which included the following:

- During 2012, the Retirement System has:
 - Consolidated its index fund providers and moved to non-lending index fund vehicles.
 - Invested approximately 4% in emerging markets equity.
 - Invested approximately 2% in emerging markets debt.
 - Invested approximately 2% in bank loans.
 - Significantly reduced its small cap overweight, from 20% of domestic equity to 11%.
 - Liquidated stable value holdings in favor of lower cost index alternatives.
 - Consolidated the high yield bond portfolio and funded a new manager.
 - Approved a new Investment Policy Statement.
- Next steps for the Trustees to consider:
 - Review and update manager guidelines.
 - Conduct a search for a natural resources manager (after revised PA 314 approval).
 - Review current real estate investments & develop a roadmap to fund the remaining allocation.
 - Discuss the TIPS allocation; identify allocation alternatives if necessary.
 - Conduct a private equity fund-of-funds search.

Mr. Hastie requested that Ms. Walker place this review on the December Board agenda for Board discussion.

NORTHERN TRUST, SECURITIES LENDING COLLATERAL SECTION MODIFICATION TO NON-CASH COLLATERAL - REQUEST FOR INPUT

Meketa's report indicates that the Retirement System and VEBA maintain limited participation in securities lending collateral pools through their separate accounts custodied at Northern Trust. Year-to-date through October, the program has generated approximately \$77,000 in net earnings. When the Funds lend securities through the program, borrowers provide cash or non-cash collateral. In the U.S. most borrowers provide cash collateral. Currently, the Funds' non-cash collateral guidelines specify that only U.S. Government securities and obligations issued or guaranteed by its agencies or instrumentalities are eligible securities. Northern Trust has proposed an expansion of the pool's non-cash collateral guidelines. It proposes that the collateral pool also accept Non-U.S. sovereign debt as well as U.S. and Non-U.S. equity indices. This would have very limited impact on the program's potential earnings. Currently, less than 1% of the pool's collateral is non-cash.

Mr. Urban stated that Meketa does not believe clients are currently getting sufficient compensation for the risk of holding non-U.S. debt and U.S. and Non-U.S. equities as non-cash lending collateral, and recommend the Funds maintain their current non-cash guidelines and decline the expanded "Global Non-Cash Collateral" option. The Committee agreed.

It was **moved** by Clack and **seconded** by Monroe to respond to The Northern Trust Company that the Funds will maintain their current non-cash guidelines and decline the expanded "Global Non-Cash Collateral" option.

Approved

OPTIMA PROXY

Meketa's report included a proxy vote from Optima Fund Management for an upcoming shareholder's meeting on December 12, 2012. Mr. Jaung stated that after reviewing the proxy, Meketa recommends the System vote in favor of all indicated resolutions. After discussion and Policy verification, it was determined that the Committee currently does not have the authority to respond to this type of proxy voting, and requested that Meketa add a provision to the recently-approved Investment Policy Statement which would allow the Committee to proceed with proxy voting going forward.

NEXT IPC MEETING

Due to holiday timing, the Committee decided to hold the next IPC meeting on Tuesday, February 5, 2013, which will also allow more time for Meketa to conduct the fixed income transition.

ADJOURNMENT

It was **moved** by Clack and **seconded** by Hastie to adjourn the meeting at 5:14 p.m.
Meeting adjourned at 5:14 p.m.

G-4 Administrative Policy Committee Minutes – December 11, 2012

Following are the Administrative Policy Committee minutes from the meeting convened at 3:12 p.m. on December 11, 2012:

Committee Members Present: Crawford, Heusel (via telephone), Monroe
Members Absent: None
Other Trustees Present: Clark
Staff Present: Kluczynski, Walker
Others Present: None

EXECUTIVE DIRECTOR EVALUATION

Retiree Healthcare discussion:

At this point in the meeting, Ms. Walker requested that the Committee continue the personnel/compensation discussion in a closed session.

Closed session time: 3:13 - 3:50 p.m.

FIDUCIARY AUDIT RECOMMENDATIONS & CONSIDERATIONS

The Committee continued its review of the Fiduciary Audit Recommendations document. The following sections were discussed:

Formalize internal processes and procedures for the various categories of benefits that CAAERS administers. (see page 1.13)

Develop and publish procedures for additional areas in administration (i.e., beyond definition of compensation) where a statement of administrative procedure would be beneficial (i.e., definition of service credit, part-time employment). (see page 1.13)

Compile all administrative procedures adopted to date into one central repository. (see page 1.13)

Establish a process for regularly reviewing and updating the collective body of administrative procedures to determine where gaps exist and develop a plan to address such gaps. (see page 1.13)

The Committee requested that at the next APC meeting in January, staff provide an index of the current policies as well as an index of current procedures as noted above in order to determine how to formalize or combine all administrative procedures to date into one central repository.

ADJOURNMENT

*It was **moved** by Heusel and **seconded** by Monroe to adjourn the meeting at 4:04 p.m.
Meeting adjourned at 4:04 p.m.*

G-5 Audit Committee Minutes – December 11, 2012

Following are the Audit Committee minutes from the meeting convened at 4:18 p.m. on December 11, 2012:

*Committee Members Present: Clark, Crawford, Monroe, Nerdrum (via telephone)
Members Absent: None
Other Trustees Present: None
Staff Present: Jarskey, Kluczynski, Walker
Others Present: None*

2012 RETIREMENT SYSTEM AUDIT REVIEW

The Committee discussed the proposed Audit Report for the years ended June 30, 2012 and 2011, with no concerns other than noting to speak with the Investment Policy Committee and Meketa regarding the formatting of the investment classifications, which were gathered from The Northern Trust Company's database. The Committee discussed whether staff was provided with a listing of everything that the auditors reviewed when compiling the report, and Ms. Jarskey stated that she had requested a listing, but was told that it is not Rehmann's process to provide one. Ms. Walker stated that Mr. Kettner from Rehmann Robson will be present at the December Board meeting, and perhaps he be requested to address this issue at that time.

2012 VEBA AUDIT REVIEW

There were no major issues raised for discussion on the VEBA Audit Report, which will also be presented to the Board of Trustees on December 20, 2012.

UPDATE ON BUCK SOFTWARE SYSTEM

Ms. Walker provided the following update on the Buck Software System:

The basic original programming for the Buck admin system and ESS is complete. Buck has been directed to do the 10-year vesting programming and a statement of work has been signed. Buck reduced their price for the additional programming by 50%. Buck is expecting this programming to take a month, and then it will be available for testing. Buck is also working on reports for Gail, (payroll transmittal and contribution batch reports). Pension Gold offered several reports for checking on payroll and contribution batches for control and accounting purposes. Buck has the basics of the reports done, but the formatting of the reports need refinement.

Additionally, we have begun working on status reports so that the Buck system has correct statuses for all pensioners for actuarial reporting. Pension Gold was carrying many individuals

as “terminated” who are actually retired.

Staff has been trying to determine what the best approach to making sure we have all the data from Pension Gold in an Ann Arbor repository. After consulting with Josh Baron, he suggested that a SQL server format would be the best. Pension Gold had created files for the conversion extract, and suggested that rerunning and exporting those files would serve the purpose. These files have been rerun, however assembling a database will be difficult and time consuming and therefore we have requested assistance from Ann Arbor IT.

Pension Gold has provided a monthly quote for hosting and support, which is attached. This will buy the system a little more time to make sure all the data has been extracted from Pension Gold and there are no gaps.

Mr. Crawford stated that he feels that it is not necessary to bring the “Addendum to Hosting Schedule” to the full Board for approval considering the low monthly hosting fee, and believes that Ms. Walker should be directed to proceed with executing the agreement. The Committee agreed.

ADJOURNMENT

It was **moved** by Crawford and **seconded** by Clark to adjourn the meeting at 4:46 p.m.

Meeting adjourned at 4:46 p.m.

G-6 Legal Report – Update on PA 347 of 2012

Mr. VanOverbeke informed the Board that Senate Bill 797 is now Public Act 347 of 2012, and is effective 91 days after the close of this legislative session (April 1, 2013). Mr. VanOverbeke stated that his office has prepared a detailed letter for the Board's review and consideration which has been included in the revised Board packet. Mr. VanOverbeke reviewed the highlights/checklist in the memo, specifically the investment related items, which he noted should be forwarded to the Board's investment consultant.

It was **moved** by Hastie and **seconded** by Clark to receive and file legal counsel's memorandum regarding PA 347 of 2012.

Approved

PRESENTATION: Financial Audit for the Fiscal Years Ended June 30, 2012 and June 30, 2011

Discussed earlier on the agenda.

H. INFORMATION (Received & Filed)

H-1 Communications Memorandum

H-2 January Planning Calendar

H-3 Record of Paid Invoices

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

	PAYEE	AMOUNT	DESCRIPTION
1	DTE Energy	76.76	Monthly Gas Fee dated November 8, 2012
2	DTE Energy	199.88	Monthly Electric Fee dated November 8, 2012
3	Comcast	81.67	Monthly Cable Fee (November)

4	Robertson Morrison, Inc.	321.35	Transformer replacement on roof – 10/29/2012
5	Schwartz Investment Counsel	11,595.00	Investment management fees: 7/1/2012-9/30/2012
6	Coverall North America, Inc.	140.00	Office Cleaning Services for November 2012
7	Hasselbring-Clark Co.	59.60	Monthly copier cost per copy
8	Meketa Investment Group	8,750.00	Investment Consultant Retainer - October 2012
9	Rehmann Robson	2,340.43	June 30, 2012 Financial Audit
10	Lora Kluczynski	367.97	Petty cash reimbursement
11	Coverall North America, Inc.	140.00	Office Cleaning Services for December 2012
12	Meketa Investment Group	8,750.00	Investment Consultant Retainer – November 2012
13	City of Ann Arbor Treasurer	6.28	Municipal Code Reimbursement, Supplement 36
14	AT&T	165.99	Monthly telephone service
15	Staples Business Advantage	165.02	Miscellaneous office supplies
16	Levi, Ray & Shoup, Inc.	1,034.35	Software maintenance 1/14/2013-2/13/2013
17	Hasselbring-Clark Co.	39.03	Monthly copier cost per copy
18	NCPERS	225.00	2013 Membership Fee
19	MAPERS	100.00	2013 Membership Fee
20	DTE Energy	178.16	Monthly Electric Fee dated December 10, 2012
21	Comcast	81.67	Monthly Cable Fee (December)
22	Graphic Sciences	394.82	Scanning of FY 2012 Retiree Files
23	Graphic Sciences	83.08	Scanning of FY 2012 Contribution Reports
24	Graphic Sciences	27.61	Scanning of FY 2012 Audit Work Papers
TOTAL		35,323.67	

H-4 Retirement Report – No Report

H-5 2013 Board & Committee Meeting Schedule

Retirement Board Meetings:

- Thursday, January 17, 2013 – 8:30 a.m.
- Thursday, February 21, 2013 – 8:30 a.m.
- Thursday, March 21, 2013 – 8:30 a.m.
- Thursday, April 18, 2013 – 8:30 a.m.
- Thursday, May 16, 2013 – 8:30 a.m.
- Thursday, June 20, 2013 – 8:30 a.m.
- Thursday, July 18, 2013 – 8:30 a.m.
- Thursday, August 15, 2013 – 8:30 a.m.
- Thursday, September 19, 2013 – 8:30 a.m.
- Thursday, October 17, 2013 – 8:30 a.m.
- Thursday, November 21, 2013 – 8:30 a.m.
- Thursday, December 19, 2013 – 8:30 a.m.

Retiree Health Care Benefit Plan & Trust (VEBA Trust) Meetings:

- Directly following each of the monthly Retirement Board Meetings above

Committee Meetings: (Dates and times subject to change)

Investment Policy Committee – 1st Tuesday of every month, 3:00 p.m.

Administrative Policy Committee – 2nd Tuesday of every month, 3:00 p.m.

Audit Committee – 2nd Tuesday of every month, 4:00 p.m.

Retirement System Board Retreat – *Yet to be determined*

It was **moved** by Crawford and **seconded** by Monroe to approve the 2013 Board & Committee Meeting Schedule as submitted.

Approved

I. **TRUSTEE COMMENTS** - *None*

J. **ADJOURNMENT**

It was **moved** by Crawford and **seconded** by Nerdrum to adjourn the meeting at 11:44 a.m.

Meeting adjourned at 11:44 a.m.



**Nancy R. Walker, Executive Director
City of Ann Arbor Employees' Retirement System**