

CITY OF ANN ARBOR RETIREE HEALTH CARE BENEFIT PLAN & TRUST
BOARD OF TRUSTEES
Minutes for the Regular Board Meeting
September 16, 2010

The meeting was called to order by Nancy Sylvester, Chairperson, at 9:51 a.m.

ROLL CALL

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

AUDIENCE COMMENTS - None

A. APPROVAL OF REVISED AGENDA

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

B. APPROVAL OF MINUTES

B-1 August 19, 2010 Regular Retiree Health Care Benefit Plan & Trust Board Meeting

It was **moved** by Fraser and **seconded** by Clark to approve the August 19, 2010 Board meeting minutes as submitted.
Approved

C. CONSENT AGENDA - None

D. ACTION ITEMS

D-1 Resolution to Hire Buck Consultants as the Retiree Health Care Benefit Plan & Trust's Actuary

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retiree Health Care Benefit Plan & Trust, 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, the Board of Trustees has an approved RFP Policy which requires that actuarial services go out for a RFP at a minimum of six years on a rotating basis, and

WHEREAS, the Board issued a RFP for actuarial services on April 16, 2010, and

WHEREAS, the following four actuarial firms responded to the RFP: Gabriel, Roeder Smith & Co., Buck Consultants, Milliman, and EFI Actuaries, and

WHEREAS, the Board at its June 17, 2010 Regular meeting approved a finalist presentation with Gabriel, Roeder Smith & Co., Buck Consultants, and EFI Actuaries, and,

WHEREAS, On September 14, 2010 a finalist presentation was held with Gabriel, Roeder Smith & Co., Buck Consultants, and EFI Actuaries, and

WHEREAS, after reviewing the RFPs and holding the final presentation, the Audit Committee is recommending that the Board hire Buck Consultants as the Retiree Health Care Benefit Plan & Trust's actuary, so be it

RESOLVED, that the Board of Trustees authorizes the hiring of Buck Consultants as the Retiree Health Care Benefit Plan & Trust's actuary after successful contractual negotiations with the Board's Legal Counsel for Board approval and a due diligence visit by Trustees and/or staff.

It was **moved** by Flack and **seconded** by Kaur to recommend approval of the above resolution to hire Buck Consultants as the VEBA Trust's new actuarial consultant contingent on a due diligence site visit and legal review of the client contract.

Approved

E. DISCUSSION ITEMS - None

F. REPORTS

F-1 Investment Policy Committee Minutes – No Report

F-2 Preliminary Investment Reports for the Month Ended August 31, 2010

N. Gail Jarskey, Accountant, submitted the Financial Report for the month ended August 31, 2010, to the Board of Trustees:

8/31/2010 Asset Value (Preliminary)	\$65,657,205
7/31/2010 Asset Value (Audited by Northern)	\$67,187,443
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	\$1,576,514
Percent Gain <Loss>	2.5%
September 15, 2010 Asset Value	\$67,728,973

F-3 Legal Report –No Report

G. TRUSTEE COMMENTS

Ms. Sylvester thanked the Board and staff members who have been working on both the Actuarial RFP process and the Hiring Committee to get these major projects done, and the Board is fortunate to have members who have many areas of expertise that have come in to play.

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	1,513.93	Investment Consultant Retainer – July 2010
2	State Street Global Advisors	429.84	Investment Mgmt. Fees – 4/1/2010-6/30/2010
	TOTAL	1,943.77	

J. ADJOURNMENT

It was **moved** by Fraser and **seconded** by Nerdrum to adjourn the meeting at 9:56 a.m.
Meeting adjourned at 9:56 a.m.

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