

**City of Ann Arbor Employees' Retirement System
Minutes for the Regular Meeting
July 21, 2011**

The meeting was called to order by Alexa Nerdrum, Vice-Chairperson, at 8:40 a.m.

ROLL CALL

Members Present: Clark, Crawford, Flack, Hastie, Heusel, Monroe, Nerdrum
 Members Absent: None
 Staff Present: Kluczynski, Walker
 Others: Michael VanOverbeke, Legal Counsel
 David Diephuis, City Resident
 Kurt Kaiser, City Retiree
 Henry Jaung, Meketa Investment Group (*via conference call, Item E-5*)
 Chris Carmody, GTS

AUDIENCE COMMENTS - None

A. APPROVAL OF REVISED AGENDA

Revisions to the agenda include the following items:

- D-1 Retiree Request Concerning Tax Issue/Kurt Kaiser
- E-4 Revised Disability Retirement Re-Examination Policy
- E-5 Proposed Asset Allocation Modification – Adoption of “Policy B”
- G-3 Investment Policy Committee Minutes – July 19, 2011

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

Approved as revised

B. APPROVAL OF MINUTES

B-1 June 16, 2011 Regular Board Meeting Minutes

It was **moved** by Flack and **seconded** by Monroe to approve the June 16, 2011 Board Meeting minutes as submitted.

Approved

C. CONSENT AGENDA

Mr. Flack and Mr. Monroe expressed their desire to attend the 2011 Fall MAPERS Conference, and were added to the proposed resolution.

It was **moved** by Flack and **seconded** by Crawford to approve the consent agenda as revised:

C-1 Purchase of Military Service Time

WHEREAS, the Board of Trustees is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, and

WHEREAS, Section 1:561(e) of the Retirement Ordinance, Chapter 18 of the Code of the City of

Ann Arbor allows for prior Military Service Credit, and

WHEREAS, the Board is in receipt of an Application for Purchase of Military Service Time, therefore be it

RESOLVED, that the Board of Trustees hereby certifies that the following member(s) of the Retirement System have submitted the requisite documentation for the purchase of Military Service Time:

Name	Department	Requested Military Service Time	Requested Method of Payment	Cost for Purchase of Military Service Time
David Moorhead	General	5 Months	Lump Sum Payment	\$ 1,384.50

FURTHER RESOLVED, that the applicant(s) purchasing Military Service Time be notified of the amount of money necessary to buy the Military Service Time, and upon full payment, the member(s) shall be credited the service time.

C-2 Authorization for Conference/Training – 2011 Fall MAPERS Conference, September 18-20, 2011

WHEREAS, the Board of Trustees (Board) of the City of Ann Arbor Employees' Retirement System (Retirement System) is vested with the authority and fiduciary responsibility for the 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, the Board of Trustees acknowledges that the Retirement System has evolved in complexity such that the circumstances 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 requires continuing education, training, and oversight of its advisors, and

WHEREAS, it is necessary, appropriate and incumbent upon Board trustees and/or Retirement System staff, from time to time, to participate in continuing education, training, and/or conduct due diligence trips in relation to their oversight of Retirement System advisors to ensure that Retirement System participants receive the best possible service, benefit and representation from these responsible persons, and

WHEREAS, Nancy Walker, Jeremy Flack, and David Monroe have requested the Board of Trustees' authorization for conference/training in Grand Rapids, Michigan, at Retirement System expense, estimated at \$4,171.90 (collectively), to attend the 2011 Fall MAPERS Conference, to participate in continuing education in their responsibility as Retirement System Trustees and Staff, and in keeping with Board policy, therefore it be

RESOLVED, the Board of Trustees authorizes the conference/training request of Nancy Walker, Jeremy Flack, and David Monroe to travel to Grand Rapids, Michigan, at Retirement System expense, estimated at \$4,171.90 (collectively), to attend the 2011 Fall MAPERS Conference, to participate in

continuing education in their responsibility as Retirement System Trustees and Staff, and

FURTHER RESOLVED, that Nancy Walker, Jeremy Flack, and David Monroe comply with all travel and reporting requirements as contained in the Board of Trustees previously adopted Travel and Training Policy and Procedures.

Consent agenda approved

D-1 Retiree Request Concerning Tax Issue/Kurt Kaiser

Mr. Kaiser, City Retiree, presented an issue to the Board of Trustees regarding a tax error made to his account and is requesting the Board's assistance with resolving the matter. It was determined that a sub-group of the Board of Trustees will be created in order to further investigate this issue (consisting of Ms. Nerdrum, Mr. Hastie, and Mr. Clark), and Mr. Kaiser was asked to refer all of the necessary documents to Mr. VanOverbeke. Ms. Walker was requested to work in conjunction with Mr. VanOverbeke in providing a letter to Mr. Kaiser listing which documents are necessary for review by the sub-group. Mr. VanOverbeke stated that a recommendation is expected to be made at the August Board meeting as long as the group is able to meet before that time.

It was **moved** by Crawford and **seconded** by Hastie to direct that legal counsel and the Executive Director draft appropriate correspondence to Mr. Kaiser requesting the information discussed at today's meeting, and that a sub-group of the Board be formed comprised of three Trustees (Ms. Nerdrum, Mr. Hastie, and Mr. Clark) in order to further investigate this matter and provide a recommendation back to the full Board of Trustees.

Approved

D-2 EXECUTIVE SESSION – Disability Re-Examinations & Securities Litigation Issue

The Board convened an executive session for the purpose of discussing the disability re-examination reports for William Mueller and Ingram Davis and a Securities Litigation matter regarding Community Health Systems, Inc.

Roll call vote:

Clark – Yes	Hastie - Yes	Nerdrum - Yes
Crawford - Yes	Heusel - Yes	
Flack – Yes	Monroe - Yes	

Executive session time: 9:12 – 9:45 a.m.

E. ACTION ITEMS

E-1 Motions: Disability Re-Examinations & Securities Litigation Matter

It was **moved** by Flack and **seconded** by Crawford to acknowledge receipt of the medical report from Gerald J. Levinson, D.O. for the medical re-evaluation of disability retiree William Mueller dated June 27, 2011, noting that the doctor has provided a medical opinion and report indicating that the member continues to be totally incapacitated for duty in the service of the City and that the incapacity will probably continue to be permanent and therefore the Board resolves to continue the disability retirement benefits to William Mueller subject to the re-examination provisions of the Retirement Ordinance and Board Policy.

Approved

It was **moved** by Flack and **seconded** by Clark to acknowledge receipt of the medical report from

James D. Relle, M.D. for the medical re-evaluation of disability retiree Ingram Davis dated June 23, 2011, noting that the doctor has provided a medical opinion and report indicating that the member continues to be totally incapacitated for duty in the service of the City and that the incapacity will probably continue to be permanent and therefore the Board resolves to continue the disability retirement benefits to Ingram Davis subject to the re-examination provisions of the Retirement Ordinance and Board Policy.

Approved

It was **moved** by Hastie and **seconded** by Crawford acknowledging receipt of the attorney-client privileged communication from the Board's legal counsel dated July 21, 2011 with regards to the Community Health Systems securities litigation matter; the Board having had discussion on this, and noting that in light of the size of the Board's holdings and number of shares, the Board is of the opinion that it is not appropriate to pursue this matter at this time.

Approved

E-2 Election of Board Chairperson

Mr. Crawford nominated Mr. Flack as the Board Chairperson. Mr. Flack accepted.

It was **moved** by Nerdrum and **seconded** by Hastie to close nominations and cast a unanimous ballot approving Mr. Flack as Board Chairperson.

Approved

It being noted that since Mr. Flack is currently serving as the Board Secretary and has been elected as the Board Chairperson, there is now a vacancy in the position of the Board Secretary. That being said, nominations should be opened for the position of the Board Secretary.

Mr. Flack nominated Mr. Monroe as the Board Secretary. Mr. Monroe accepted.

It was **moved** by Flack and **seconded** by Crawford to close nominations and cast a unanimous ballot approving Mr. Monroe as Board Secretary.

Approved

E-3 Record Retention Policy & Disposal Schedule

Mr. Crawford stated that the Administrative Policy Committee is recommending the following updated Record Retention Policy & Disposal Schedule as submitted by the Board's legal counsel:

WHEREAS, the Board of Trustees of the Retirement System is vested with the responsibility to manage and maintain the records of the Retirement System, and

WHEREAS, as custodian of the records, the Board recognizes its duty to ensure that Retirement System records are retained in a secure manner which allows for relative ease of retrieval/accessibility, as well as protects the confidentiality of Retirement System member and beneficiary information, and

WHEREAS, the Board has determined that it is in the best interest of the Retirement System to establish a formal Record Retention Policy and Disposal Schedule to properly balance the foregoing considerations with the need to efficiently and cost effectively manage the records of the Retirement System, therefore be it

RESOLVED, that the Board hereby adopts the following Record Retention Policy and Disposal Schedule with regard to public records of the Retirement System:

MINIMUM RETENTION PERIOD	RECORD SERIES
Permanent	Retirement Plan documentation (i.e., Charter, Ordinance, collective bargaining agreements, etc.); Board meeting minutes; Board meeting agendas; Board Resolutions; Retirement System/Board policies; Annual audits; Annual actuarial valuations; Annual Custodial Bank statements; Legal opinions; Correspondence establishing policy;
Fiscal Year + 7 Years	General Ledger; Payment Records; Invoices; Investment Performance Reports and Analysis prepared by the Retirement System's Investment Consultant and/or Investment Managers; Summary Annual Reports; Trustee Conference/Seminar registration materials; Trustee Expense reports;
Termination/Expiration/Death + 6 Years	Service Provider contracts; Bids, quotes and proposals awarded; Employee/Retiree pension files; All other Contracts, Leases and Agreements;
3 Years	General correspondence; Bids, quotes and proposals not awarded;
1 Year + 1 Day	Closed Session meeting minutes; Board meeting notices; Freedom of Information Act Requests and Responses;
Upon approval of written minutes	Audio recording(s) of Board meetings;

and be it further

RESOLVED, that this Policy is applicable to public records which are defined as a writing prepared, owned, used, in the possession of, or retained by, the Retirement System in the performance of an official function from the time it is created, and be it further

RESOLVED, that "writing" shall include handwriting, typewriting, printing, photostating, photographing, photocopying, and every other means of recording including, but not limited to: letters, words, pictures, sounds, symbols, papers, maps, magnetic or paper tapes, photographic films or prints, microfilm, microfiche, magnetic or punched cards, discs, drums, or other means of recording or retaining meaningful content, and be it further

RESOLVED, that this Policy and Disposal Schedule shall be administered in accordance with the Michigan Freedom of Information Act [MCL § 15.231 *et seq.*] and other applicable laws, and be it further

RESOLVED, in administering this Policy the Board of Trustees and its representatives recognize that certain Retirement System records (i.e., closed session minutes, disability retirement applications, disability retirement and medical records, legal opinions, and employee/retiree/beneficiary personal information) are to be kept in a locked/secure location, and be it further

RESOLVED, that copies of this Policy shall be made available to all interested parties.

It was **moved** by Crawford and **seconded** by Clark to adopt the revised Record Retention Policy as presented, with the Board's intent to have it be submitted to the State Records Management Services for approval.

Approved

E-4 Revised Disability Retirement Re-Examination Policy

Mr. Crawford stated that the Administrative Policy Committee has discussed and submitted a revision to the current Disability Retirement Re-Examination Policy which includes the following revised language for paragraph 2 of the policy:

2. *The Retirement Board shall review the files of all disability retirees twice a year to determine which retirees must undergo a medical re-examination by the Board's Medical Director. The files shall be reviewed each May for disability retirements that commenced or had a re-examination in the prior year January through June time frame, and each November for disability retirements that commenced or had a re-examination in the prior year July through December timeframe.*

It was **moved** by Monroe and **seconded** by Clark to approve the revision to the Disability Retirement Re-Examination Policy as amended.

Approved

E-5 Proposed Asset Allocation Modification – Adoption of “Policy B”

Mr. Jaung of Meketa Investment Group was contacted via conference call in order to discuss the proposed asset allocation modification and adoption of “Policy B” as recommended by the Investment Policy Committee per its discussion at the July 19, 2011 IPC meeting. Policy B increases the allocations to emerging and private markets, and maintains a standard deviation comparable to the current policy but generates a higher expected return. After discussion with Mr. Jaung, the Board agreed to adopt the proposed asset allocation changes as submitted by Meketa Investment Group. Mr. Hastie noted that as the Committee selects future investment classes, it will bring recommendations to the Board of Trustees, and he will be speaking with Mr. VanOverbeke regarding Public Act 314 to be sure that the Committee is working effectively within those targets. Mr. Hastie stated that he would like to reschedule the August IPC meeting date and will be sending an email to the Committee members soon.

It was **moved** by Crawford and **seconded** by Clark to adopt Policy B as proposed by Meketa Investment Group.

Approved

F. DISCUSSION ITEMS - None

G. REPORTS

G-1 Executive Report – July 21, 2011

INVESCO MORTGAGE RECOVER FEEDER FUND

INVESCO Mortgage Recovery Feeder Fund, L.P. made a distribution on Tuesday, June 28, 2011 totaling \$8,169,595. The distribution is comprised of \$1,698,771 of realized gains, \$1,531,495 of interest income, and \$4,939,329 return of capital. **Ann Arbor's allocable share of distribution: \$108,757.**

PENSION ANALYST POSITION

The second round of interviews was conducted on July 7th and 8th. Two candidates have been selected for (hopefully) final in-person interviews on July 22, with candidates participating in an on-line candidate

screening tool used by City HR in the interim. The target is to then select a final candidate and make a conditional offer, with background checking to begin in early August. The goal would be to hire as soon as possible after that is complete.

BUCK CONSULTANTS

The Buck Online Benefit Calculation System contract is signed, and implementation meetings continue. The timeline for implementation includes user acceptance testing for the calculation engine portion of the system populated with historical data from the City from mid-July to the end of August. Employee self-service will then continue to be developed and rolled out with a target of late November for ESS.

Actuarial Valuation - a timeline for valuation data to Buck and results to the CAAERS has been created. Buck’s target is to have the valuations for both the Retirement System and the VEBA submitted at the October 6, 2011 Audit Committee for review, and the October 21, 2011 Board meeting for approval.

REPAYMENT TO THE PENSION SYSTEM FOR RETIREE HEALTH CARE

The City of Ann Arbor remitted the corrective transfer to the Retirement System re the VCP/VEBA in the amount of \$3.613 million, in addition to regular contributions.

RETIREMENT PROCESSING

Benefit payments have been calculated and set up for retirees with retirement dates through June 4. Retirees with retirement dates of June 18 are currently being calculated and reviewed and will likely be set up for payments and approved by the Board meeting date. About 20 payments will then remain to be calculated and set up for those with retirement dates through June 30. In addition, deferred vested benefits for several layoffs will be need to be calculated to be included in the valuation census reporting.

Police dispatcher personnel are beginning to call with questions about retirement and deferred retirement. Staff will plan on some group meetings in the mid to late August timeframe to discuss general retirement information applicable to all members affected by the potential job changes.

BOARD ELECTION

The City has been notified of the requirement to replace Nancy Sylvester via election from general members, slated to occur September 14 and 15. The City requested that we hold this election in the September time frame, due to the press of work on primaries in August.

G-2 City of Ann Arbor Employees' Retirement System Preliminary Report for the Month Ended June 30, 2011

N. Gail Jarskey, Accountant, submitted the Financial Report for the month ended June 30, 2011, to the Board of Trustees:

6/30/2011 Asset Value (Preliminary)	\$417,450,882
5/31/2011 Asset Value (Audited by Northern)	\$419,506,414
Calendar YTD Increase/Decrease in Assets <i>(excludes non-investment receipts and disbursements)</i>	\$27,340,002
Percent Gain <Loss>	6.9%
July 20, 2011 Asset Value	\$415,735,558

G-3 Investment Policy Committee Minutes: July 19, 2011

Following are the Investment Policy Committee minutes from the meeting convened at 3:08 p.m. on July 19, 2011:

Member(s) Present: Clark, Flack (via telephone), Hastie, Monroe
Member(s) Absent: None
Other Trustees Present: Crawford (dep @ 4:30)
Staff Present: Kluczynski, Walker
Others Present: Henry Jaung & Ted Urban, Meketa Investment Group
David Diephuis, City Resident

DRAFTED CASH FLOW PROJECTION

Ms. Walker presented the drafted Cash Flow Projection which provides an estimate of what the income and outflow is at this point in time.

RETIREMENT SYSTEM UPDATE / BRIEF SUMMARY

This item was postponed until the August IPC meeting.

OAKTREE CORRESPONDENCE

Ms. Walker stated that this correspondence was placed on the agenda in order to make the Committee aware of an issue involving the Oaktree PPIP Fund, where BNY Mellon made a banking error in calculating the Fund's time-weighted returns since inception, as well as the gross internal rate of return and gross multiple of cost for certain periods. Mr. Hastie stated that this should be monitored and if this issue arises again, the Committee should investigate further.

ASSET ALLOCATION STUDY

Mr. Jaung and Mr. Urban presented the Asset Allocation Study, and in summary, the document presented a range of asset allocation options, each with risk and return statistics and other relevant characteristics and scenario analyses. The Committee reviewed the various asset classes and proposed policy options in order to decide which policy to recommend for adoption by the Board of Trustees. After reviewing the report, the Committee decided to recommend adopting "Policy B", which increases the allocations to emerging and private markets. Policy B maintains a standard deviation comparable to the current policy but generates a higher expected return. The Committee discussed the desired target ranges, and Mr. Jaung stated that he and Mr. Urban would forward a brief report for inclusion in the July Board packet.

It was **moved** by Clark and **seconded** by Flack to recommend the adoption of Policy B to the Board of Trustees at the July 21, 2011 regular Board meeting with the target ranges as discussed.

Approved

ADJOURNMENT

It was **moved** by Clark and **seconded** by Monroe to adjourn the meeting at 5:43 p.m.

Meeting adjourned at 5:43 p.m.

G-4 Administrative Policy Committee Minutes – July 12, 2011

Following are the Administrative Policy Committee minutes from the meeting convened at 3:07 p.m. on July 12, 2011:

Committee Members Present: Crawford, Monroe
Members Absent: Heusel
Other Trustees Present: Clark
Staff Present: Kluczynski, Walker
Others Present: David Diephuis, City Resident

RECORD RETENTION POLICY & DISPOSAL SCHEDULE

The Committee reviewed the Record Retention Policy & Disposal Schedule that Mr. VanOverbeke had submitted for review and Board approval. After a brief discussion, the Committee decided to forward the Policy as submitted for Board approval at the July 21, 2011 regular Board meeting.

It was **moved** by Monroe and **seconded** by Clark to recommend the Record Retention Policy & Disposal Schedule for Board approval at the July 21, 2011 regular Board meeting.

Approved

PENSION ANALYST POSITION – STATUS REPORT

Ms. Walker presented a verbal report on the status of the Pension Analyst job search, stating that the interviews of the top 5 candidates with staff and HR have concluded, and two candidates have been selected for a follow up in-person interview targeted for July 22 - if possible. The two best qualified candidates both have retirement benefit calculation, participant counseling, process management/improvement and training experience. The goal is to make a selection on July 22, and then begin the background checks, and drug screen, with a target hire date in the 2nd or 3rd week of August.

The Committee discussed the upcoming interviews, and expressed an interest in sitting in on the two sessions to provide a sounding board or to give input during the debriefing discussion. Ms. Walker agreed, stating that she is comfortable with whoever on the Committee would like to attend.

DISABILITY RETIREMENT RE-EXAMINATION PROCEDURE

Mr. Crawford stated that this item was referred back to the Committee for clarification on the cutoff date for bringing an individual back for a re-examination after their retirement date; currently, the cutoff date is July 1. The Committee continued their discussion of this issue, with Mr. Monroe stating he is not comfortable with a disability retiree going possibly 18 months before having their first medical re-examination when the policy states that it must take place once per year for the first five years. After discussion, it was suggested that staff present a disability re-exam schedule twice per year, perhaps in January and July, in order to avoid the longer timeframe for the newer disability retirees, and that discretionary language be included so that the Board may have the ability to waive a re-exam based on extenuating circumstances. Ms. Walker stated that she will forward a draft of the revised policy to the Committee before the July 21st Board meeting

It was **moved** by Clark and **seconded** by Monroe to recommend to the Board of Trustees that the Disability Retirement Re-Examination Policy be revised to include two disability re-examination schedules per year, as well as the addition of Board discretionary language as discussed.

Approved

TOLL-FREE TELEPHONE ACCOUNT

Mr. Monroe stated that he had raised the question of retaining the toll-free telephone number considering the cost as well as newer technology available for nationwide coverage with many calling plans. Mr. Crawford stated that the focus should be on what the level of customer service ought to be and if the cost with that service is excessive. Mr. Monroe indicated that the System is paying an average of \$1,000 per year on this service, when most retirees can most likely call from their homes for free. The Committee ultimately decided to cease advertising the toll-free number, but keep it in effect until early 2012 when the next retiree newsletter is distributed which will include an article indicating the phasing-out of the toll-free number due to recent technology and wider-range calling plans; staff will then decide when the line should be terminated after notification has been made.

*It was **moved** by Monroe and **seconded** by Clark to cease advertising the toll-free number, keeping it in effect until early 2012 until the next retiree newsletter is distributed as discussed, and staff will then decide when the line should be terminated after the notification has been made.*

Approved

PRIORITIZE REMAINING TABLED/PENDING AGENDA ITEMS & ANY NEW ISSUES

The Committee reviewed the current tabled/pending items listing to prioritize the various tasks. It was determined that at the August 9th APC meeting, the Committee will discuss 1) any Ordinance issues still pending, 2) the Executive Director Goals & Objectives, 3) a review of the RFP policy and schedule, 4) Public Access/Review of Board & Committee Packet Items, and 5) further organization of the tabled and pending items. The Committee also decided to hold the August APC meeting at 2:00 p.m. to allow more time for discussion. Mr. Crawford suggested forwarding the HELPS Provision of PPA of 2006 to the Human Resources Director asking for consideration that this health provision be included in Chapter 21, because he believes it is more of a bargaining issue which should be left up to the City and the safety services collective bargaining units. The Committee agreed.

ADJOURNMENT

*It was **moved** by Monroe and **seconded** by Clark to adjourn the meeting at 4:18 p.m.*

Meeting adjourned at 4:18 p.m.

G-5 Audit Committee Minutes – No Report

G-6 Legal Report – No Report

H. INFORMATION

H-1 Communications Memorandum

The Communications Memorandum was received and filed.

H-2 August Planning Calendar

The August Planning Calendar was received and filed.

H-3 Board Tracking Report

The Board Tracking Report was received and filed.

H-4 Record of Paid Invoices

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

	PAYEE	AMOUNT	DESCRIPTION
1	Coverall North America, Inc.	140.00	Office Cleaning Services for July 2011
2	DTE Energy	256.75	Monthly Electric Fee dated June 13, 2011
3	Comcast	76.23	Monthly Cable Fee
4	AT&T	60.23	Monthly toll-free telephone service
5	Meketa Investment Group	8,750.00	Investment Consultant Retainer – June 2011
6	Staples Business Advantage	120.72	Miscellaneous office supplies
7	AT&T	134.61	Monthly Long-Distance Telephone Service
8	GFOA	150.00	Employee Job Ad for Pension Analyst Position
9	Michigan Municipal League	63.80	Employee Job Ad for Pension Analyst Position
10	Med Source Svcs/Consulting Physicians	750.00	Disability Re-Exam: A. Straub, 6/8/2011
11	Med Source Svcs/Consulting Physicians	700.00	Disability Re-Exam: J. Harmon, 6/9/2011
12	Nancy Sylvester	53.04	Mileage reimbursement, litigation deposition 6/14/11
13	Nancy Sylvester	707.02	Spring MAPERS Conference, May 2011
14	Nancy Sylvester	545.00	Due diligence visit - Meketa Inv. Group, Feb. 2011
15	Brock Hastie	534.28	Spring MAPERS travel reimbursement
16	Lora Kluczynski	282.17	Petty cash reimbursement
	TOTAL	13,323.85	

H-5 Retirement Report

The following employee(s) have completed their paperwork for retirement:

Name	Type of Retirement	Effective Date	Group	Years of Service	Service Area
Joan Yelorda	Age & Service -Deferred-	July 1, 2011	General	12 years, 4 months	15 th District Court
David Moorhead	Age & Service	August 5, 2011	General	20 years, 5 months <i>(which includes 5 months military service credit)</i>	Public Services
Angela Dempkowski	Early/Age & Service	August 6, 2011	General	20 years	Administration
Beverly Selvig	Early/Age & Service	August 6, 2011	General	21 years, 1 month	Public Services
Elizabeth Edwards	Age & Service -Deferred-	September 1, 2011	General	5 years, 11 months	Administration/HR

H-6 Correspondence Regarding NTGI-QM Collective Daily S&P MidCap 400 Equity Index Fund-Lending

The Correspondence Regarding NTGI-QM Collective Daily S&P MidCap 400 Equity Index Fund-Lending was received and filed.

I. TRUSTEE COMMENTS

Mr. Monroe requested information regarding the City's group of dispatchers and what their options are when it comes to their pension, and if there is anything in their best interest, if their jobs are dissolved and that work is transferred to another governmental unit, is there anything pension-wise that is different than normal? Mr. VanOverbeke stated that it all depends on how they treat their pension for employment purposes, i.e., if they are terminated and they go to a non-membership position working for an outside employment agency for example, at that point in time they either meet the retirement eligibility conditions of the Plan, or they are deferred-vested and do not lose their vested benefits. If they are non-vested and are laid off, terminated, or quit their position, it is the same scenario in all three instances. Mr. VanOverbeke noted that deferred retirees do not receive retiree healthcare because they would have had to go directly from employment to retirement without a break in service.

Mr. Crawford expressed his appreciation to Ms. Sylvester who has recently retired, stating that she was very dedicated and gave a lot of effort and hard work to this Board and the System.

J. ADJOURNMENT

It was **moved** by Crawford and **seconded** by Monroe to adjourn the meeting at 11:07 a.m.
Meeting adjourned at 11:07 a.m.

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