

**City of Ann Arbor Employees' Retirement System  
Minutes for the Regular Meeting  
August 20, 2009**

The meeting was called to order by Nancy Sylvester, Chairperson, at 8:30 a.m.

**ROLL CALL**

Members Present:	Crawford, Flack, Fraser, Kahan, Nerdrum, Stanford, Sylvester
Members Absent:	Hescheles, Kaur
Staff Present:	Kluczynski, Powell, Refalo
Others:	Michael VanOverbeke, Legal Counsel Brenda Acquaviva, City Employee David Diephius, City Resident Dwayne Garth, GFG Asset Management

**INTRODUCTION OF NEW POLICE MEMBER TRUSTEE – WILLIAM STANFORD**

**AUDIENCE COMMENTS - None**

**A. APPROVAL OF REVISED AGENDA**

Ms. Sylvester stated that the following items have been revised since the distribution of the agenda packet:

- Item E-2, *Legal Opinion Regarding M.O.U. for an AFSCME Employee*, will be discussed directly following the consent agenda
- Addition of Item E-4 to discuss a United Way mailing to City Retirees

It was **moved** by Kahan and **seconded** by Crawford to approve the revised agenda.  
**Approved**

**B. APPROVAL OF MINUTES**

**B-1 July 16, 2009 Regular Board Meeting Minutes**

It was **moved** by Kahan and **seconded** by Crawford to approve the July 16, 2009 regular Board Meeting minutes as presented.  
**Approved**

**C. CONSENT AGENDA**

It was **moved** by Nerdrum and **seconded** by Crawford to approve the Consent Agenda as presented:

**Preliminary Retirement Resolutions**

**C-1 Preliminary Approval for Service Retirement for Louis Della-Badia**

**WHEREAS**, the Board of Trustees is in receipt of an application for retirement from **Louis Della-Badia (Applicant)**, dated July 28, 2009, and

**WHEREAS**, it appears, based on preliminary information provided, that said Applicant meets the eligibility requirements of the Retirement System and any applicable collective bargaining agreement, therefore be it

**RESOLVED**, that said application for service retirement of **Louis Della-Badia** is preliminarily approved subject to the adoption by the Board of a resolution approving the calculations of the actuary, and further

**RESOLVED**, that upon receipt of all required certificates/forms completed by said Applicant and following said Applicant's last date on the active payroll, a retirement calculation will be completed based upon the certified numbers from the City of Ann Arbor Finance Department, and further

**RESOLVED**, that the Board's actuarial program certified by the Board's actuary shall perform the retirement calculation and employer transfer to the retiree reserve fund to the Board of Trustees as soon as possible, and further

**RESOLVED**, that upon receipt of the retirement calculations completed by the Board's actuarial software, the Board of Trustees will consider adoption of a resolution approving payments of the applicable benefit amounts.

## **C-2     Preliminary Approval of Service Retirement for Robin Mulder**

**WHEREAS**, the Board of Trustees is in receipt of an application for retirement from **Robin Mulder (Applicant)**, dated July 28, 2009, and

**WHEREAS**, it appears, based on preliminary information provided, that said Applicant meets the eligibility requirements of the Retirement System and any applicable collective bargaining agreement, therefore be it

**RESOLVED**, that said application for service retirement of **Robin Mulder** is preliminarily approved subject to the adoption by the Board of a resolution approving the calculations of the actuary, and further

**RESOLVED**, that upon receipt of all required certificates/forms completed by said Applicant and following said Applicant's last date on the active payroll, a retirement calculation will be completed based upon the certified numbers from the City of Ann Arbor Finance Department, and further

**RESOLVED**, that the Board's actuarial program certified by the Board's actuary shall perform the retirement calculation and employer transfer to the retiree reserve fund to the Board of Trustees as soon as possible, and further

**RESOLVED**, that upon receipt of the retirement calculations completed by the Board's actuarial software, the Board of Trustees will consider adoption of a resolution approving payments of the applicable benefit amounts.

## **C-3     Preliminary Approval of Early/Service Retirement for Cynthia Avery**

**WHEREAS**, the Board of Trustees is in receipt of an application for early/service retirement from **Cynthia Avery (Applicant)**, dated August 8, 2008, and

**WHEREAS**, it appears, based on preliminary information provided, that said Applicant meets the eligibility requirements of the Retirement System and any applicable collective bargaining agreement, therefore be it

**RESOLVED**, that said application for early/service retirement of **Cynthia Avery** is preliminarily approved subject to the adoption by the Board of a resolution approving the calculations of the actuary, and further

**RESOLVED**, that upon receipt of all required certificates/forms completed by said Applicant and following said Applicant's last date on the active payroll, a retirement calculation will be completed based upon the certified numbers from the City of Ann Arbor Finance Department, and further

**RESOLVED**, that the Board's actuarial program certified by the Board's actuary shall perform the retirement calculation and employer transfer to the retiree reserve fund to the Board of Trustees as soon as possible, and further

**RESOLVED**, that upon receipt of the retirement calculations completed by the Board's actuarial software, the Board of Trustees will consider adoption of a resolution approving payments of the applicable benefit amounts.

#### **Final Retirement Resolutions**

##### **C-4 Approval of Service Retirement for Cornell Walker**

**WHEREAS**, **Cornell Walker** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 28 years and 7 months of service credit (*which includes 6 years and 9 months reciprocal credit, and 3 years military service credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Annabel Walker, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Cornell Walker** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

##### **C-5 Approval of Service Retirement for Kristian Leyrer**

**WHEREAS**, **Kristian Leyrer** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 9 months of service credit (*which includes 1 year and 11 months military service credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those

requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Kristian Leyrer** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-6    Approval of Service Retirement for Khurum Sheikh**

**WHEREAS**, **Khurum Sheikh** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 6.5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Khurum Sheikh** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-7     Approval of Service Retirement for Christopher Heatley**

**WHEREAS, Christopher Heatley** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS,** said Participant has been credited with 25 years and 6.5 months of service credit, and

**WHEREAS,** the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS,** said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS,** the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS,** said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Alison Heatley, wife, as option beneficiary), and

**WHEREAS,** said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED,** that a service retirement is hereby granted to **Christopher Heatley** (Participant), effective July 1, 2009, and further

**RESOLVED,** that benefits be paid consistent with the foregoing, and further

**RESOLVED,** that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-8     Approval of Service Retirement for Bradley Hill**

**WHEREAS, Bradley Hill** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS,** said Participant has been credited with 25 years and 9.5 months of service credit, and

**WHEREAS,** the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS,** said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS,** the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS,** said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Kellie Hill, wife, as option beneficiary), and

**WHEREAS,** said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED,** that a service retirement is hereby granted to **Bradley Hill** (Participant), effective July

1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-9     Approval of Service Retirement for Ginamarie Sbroglia**

**WHEREAS, Ginamarie Sbroglia** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 26 years and 9 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Equated Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Ginamarie Sbroglia** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-10     Approval of Early/Service Retirement for Rebecca Stanford**

**WHEREAS, Rebecca Stanford** (Participant) has submitted an application for an early/service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 25 years and 2.5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for an early/service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III, 50% Joint & Survivor (Pop-Up) form of benefit (and nominated Steven Stanford, spouse, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that an early/service retirement is hereby granted to **Rebecca Stanford** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-11 Approval of Service Retirement for James Williams**

**WHEREAS**, **James Williams** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 4, 2009, and

**WHEREAS**, said Participant has been credited with 32 years and 3 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Penny Williams, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **James Williams** (Participant), effective July 4, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-12 Approval of Service Retirement for Richard Kinsey**

**WHEREAS**, **Richard Kinsey** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 29 years and 9 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Toni Kinsey, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Richard Kinsey** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-13 Approval of Service Retirement for Mark DeFrain**

**WHEREAS**, **Mark DeFrain** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 4.5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Rozann DeFrain, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Mark DeFrain** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-14 Approval of Service Retirement for Michael Watchowski**

**WHEREAS**, **Michael Watchowski** (Participant) has submitted an application for a service



retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 25 years and 6.5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III, 50% Modified Joint & Survivor (Pop-Up) form of benefit (and nominated Deborah Watchowski, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Michael Watchowski** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-15 Approval of Service Retirement for Brian Zasadny**

**WHEREAS**, **Brian Zasadny** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 9 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Gina Zasadny, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Brian Zasadny** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-16 Approval of Service Retirement for Mark Purcell**

**WHEREAS, Mark Purcell** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 29 years and 9 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Mark Purcell** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-17 Approval of Service Retirement for James Stephenson**

**WHEREAS, James Stephenson** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 36 years and 3.5 months of service credit (*which includes 7 years and 9 months reciprocal credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Deborah Stephenson, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **James Stephenson** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-18 Approval of Service Retirement for Michael Logghe**

**WHEREAS**, **Michael Logghe** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years of service credit (*which includes 1 year and 2 months reciprocal credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Janet Logghe, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Michael Logghe** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-19 Approval of Service Retirement for Elizabeth Lindsley**

**WHEREAS**, **Elizabeth Lindsley** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 4, 2009, and

**WHEREAS**, said Participant has been credited with 14 years and 4 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated John Ballard, husband, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Elizabeth Lindsley** (Participant), effective July 4, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-20    Approval of Service Retirement for Eddy Stuck**

**WHEREAS**, **Eddy Stuck** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 28 years and 2 months of service credit (*which includes 2 years and 7 months reciprocal credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III, 50% Joint & Survivor (Pop-Up) form of benefit (and nominated Michelle Stuck, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Eddy Stuck** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-21    Approval of Service Retirement for Joseph Campbell**

**WHEREAS**, **Joseph Campbell** (Participant) has submitted an application for a service retirement to

the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 2 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Kathleen Campbell, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Joseph Campbell** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-22 Approval of Service Retirement for Thomas Tanner**

**WHEREAS**, **Thomas Tanner** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III, 50% Joint & Survivor (Pop-Up) form of benefit (and nominated Tamara French, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Thomas Tanner** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-23    Approval of Service Retirement for Tony Williams**

**WHEREAS, Tony Williams** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 4 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III, 50% Joint & Survivor (Pop-Up) form of benefit (and nominated Shelley Jones, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Tony Williams** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-24    Approval of Service Retirement for Henry Forbes**

**WHEREAS, Henry Forbes** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 26 years and 9 months of service credit (*which includes 2 years and 6 months reciprocal credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested 100% annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Henry Forbes** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-25    Approval of Service Retirement for Jeffrey Connelly**

**WHEREAS**, **Jeffrey Connelly** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 27 years and 4 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Jeffrey Connelly** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-26    Approval of Service Retirement for Paula Hoeft**

**WHEREAS**, **Paula Hoeft** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 28 years and 4.5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Paula Hoeft** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-27 Approval of Service Retirement for Michael Anderson**

**WHEREAS**, **Michael Anderson** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 26 years and 11 months of service credit (*which includes 3 years military service credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Michael Anderson** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-28 Approval of Service Retirement for Dolores Ruland**

**WHEREAS**, **Dolores Ruland** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and



**WHEREAS**, said Participant has been credited with 10 years and .5 month of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive the Straight-Life Option – Terminating at Death, and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Dolores Ruland** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

#### **C-29 Approval of Service Retirement for Darrell Wooster**

**WHEREAS**, **Darrell Wooster** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 2, 2009, and

**WHEREAS**, said Participant has been credited with 31 years and 2.5 months of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III , 50% Joint & Survivor (Pop-Up) form of benefit (and nominated Julie Wooster, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Darrell Wooster** (Participant), effective July 2, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-30 Approval of Service Retirement for Kevin Harding**

**WHEREAS, Kevin Harding** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 26 years and 2 months of service credit (*which includes 1 year and 10 months reciprocal credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option II, 100% Joint & Survivor (Pop-Up) form of benefit (and nominated Bethann Harding, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Kevin Harding** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-31 Approval of Service Retirement for Eric Bowles**

**WHEREAS, Eric Bowles** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 28 years and 9 months of service credit (*which includes 3 years and 11 months military service credit*), and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option III, 50% Joint & Survivor (Pop-Up) form of benefit (and nominated Julie Bowles, wife, as option beneficiary), and

**WHEREAS**, said Participant has requested no annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **Eric Bowles** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**C-32 Approval of Service Retirement for David Feeley**

**WHEREAS**, **David Feeley** (Participant) has submitted an application for a service retirement to the Board of Trustees requesting an effective retirement date of July 1, 2009, and

**WHEREAS**, said Participant has been credited with 25 years of service credit, and

**WHEREAS**, the Board of Trustees has verified that the aforesaid Participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement, and

**WHEREAS**, said Participant has provided all necessary data and certificates/forms to the Board of Trustees, and

**WHEREAS**, the Board of Trustees has provided all necessary personal and financial data to the Board of Trustees' actuary who has completed all necessary reports relating to Participant, and

**WHEREAS**, said Participant has elected to receive an Option I – Cash Refund Annuity plus Pension Terminating at Death, and

**WHEREAS**, said Participant has requested a 25% annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it

**RESOLVED**, that a service retirement is hereby granted to **David Feeley** (Participant), effective July 1, 2009, and further

**RESOLVED**, that benefits be paid consistent with the foregoing, and further

**RESOLVED**, that copies of this resolution be forwarded to said Participant and the appropriate City representatives.

**Resolutions:**

**C-33 Authorization For Payment of Invoices (\$ 174,992.57)**

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

**WHEREAS**, Section 13(4) of Public Act 314 of 1965, as amended, provides that an investment fiduciary may use a portion of the income of the system to defray the costs of investing, managing, and protecting the assets of the system, may retain services necessary for the conduct of the affairs of the system, and may pay reasonable compensation for those services; 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 previously approved a resolution at its regular meeting of June 19, 1997 to have accounts payable services provided through its custodian bank, The Northern Trust Company; and

WHEREAS, the Board is of the opinion that prompt payment to service providers for services rendered is appropriate and in the best interest of the plan; therefore be it

RESOLVED, that the Board of Trustees' custodial bank, The Northern Trust Company, is authorized and directed to provide payment to the following vendors and providers of service in the amount as indicated upon receipt by the Board of appropriate invoices or as required by lease agreements, subject to (a) review and approval of said invoices and lease agreements by appropriate Board representatives and (b) payment authorization signed by Nancy Sylvester/Chairperson, Alexa Nerdrum/Vice-Chairperson, or Jeremy Flack/Secretary, and Willie J. Powell/Executive Director.

	PAYEE	AMOUNT	DESCRIPTION
1	Gray & Company	7,659.45	Investment Consultant Retainer – July 2009
2	Coverall North America, Inc.	140.00	Office Cleaning Services for August 2009
3	DTE Energy	242.09	Monthly Electric Fee dated July 14, 2009
4	Comcast	75.85	Monthly Cable Fee
5	AT&T	15.09	Monthly fax telephone-line service
6	First Impression Printing	67.00	Business cards for Jeremy Flack
7	Allstar Alarm, LLC	90.00	3 Months Central Station Monitoring (Aug-October)
8	University Office Equipment	8.61	Quarterly copier maintenance fee
9	Printlink	121.00	Stationery envelopes (1000)
10	Printlink	146.00	Window mailing envelopes (4000)
11	AT&T	71.98	Monthly long-distance telephone service
12	VanOverbeke, Michaud & Timmony	15,543.50	Fees for legal services: 1/1/2009 – 3/31/2009
13	Bradford & Marzec, Inc.	36,023.72	Investment Management Fees: 4/1/09-6/30/09
14	Fisher Investments	36,005.70	Investment Management Fees: 4/1/09-6/30/09
15	Independence Investments	31,889.82	Investment Management Fees: 4/1/09-6/30/09
16	Loomis, Sayles & Company	32,934.09	Investment Management Fees: 4/1/09-6/30/09
17	RhumbLine Advisers	3,203.21	Investment Management Fees: 4/1/09-6/30/09
18	Schwartz Investment Counsel	9,914.00	Investment Management Fees: 4/1/09-6/30/09
19	Wall Street Journal	441.48	Annual Subscription Renewal
20	DTE Energy	293.21	Monthly Electric Fee dated August 13, 2009
21	DTE Energy	28.07	Monthly Gas Fee dated August 13, 2009
22	Staples Business Advantage	78.70	Miscellaneous office supplies
	<b>TOTAL</b>	<b>174,992.57</b>	

**C-34 Authorization for Due Diligence Visit – Lee Munder Capital Group (Independence Investments), October 2009 – Sylvester, Flack**

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 Sylvester and Jeremy Flack have requested the Board of Trustees' authorization to conduct a due diligence visit with the Lee Munder Capital Group (Independence Investments) in Boston, Massachusetts, at Retirement System expense, estimated at \$1,500.00 (\$750.00 each), and in keeping with Board policy, therefore it be

RESOLVED, the Board of Trustees authorizes Nancy Sylvester and Jeremy Flack to travel to Boston, Massachusetts, at Retirement System expense, estimated at \$1,500.00 (\$750.00 each), to conduct a due diligence visit with Lee Munder Capital Group, and

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

**C-35 Authorization for Conference/Training – 2009 Fall MAPERS Conference, September 13-15, 2009 – Stanford**

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, William Stanford has requested the Board of Trustees' authorization for conference/training in Mackinac Island, Michigan, at Retirement System expense, estimated at \$1,690.00, to attend the 2009 Fall MAPERS Conference, to participate in continuing education in his responsibility as Retirement System Trustee and in keeping with Board policy, therefore it be

RESOLVED, the Board of Trustees authorizes the conference/training request of William Stanford

to travel to Mackinac Island, Michigan, at Retirement System expense, estimated at \$1,690.00, to attend the 2009 Fall MAPERS Conference, to participate in continuing education in his responsibility as Retirement System Trustee, and

FURTHER RESOLVED, that William Stanford 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**

NOTE: Lora Kluczynski has withdrawn her MAPERS Conference/Training request as approved at the July Board meeting.

**E-2     Legal Opinion Regarding M.O.U. for an AFSCME Employee**

*(Moved ahead on the agenda)*

Mr. VanOverbeke summarized Ms. Acquaviva's work history with the City, and reviewed his legal opinion regarding the issue of whether she is entitled to the restoration of her prior service credit pursuant to a memorandum of understanding entered into upon her re-employment. When Ms. Acquaviva was rehired, the Retirement System notified her of the opportunity to purchase her prior service credit by either a lump sum payment or through monthly payroll deductions, however, Ms. Acquaviva never responded to the memorandum nor took appropriate action to restore such service credit. Mr. VanOverbeke stated that the issue before the Board is that Ms. Acquaviva has requested that the System adjust her retirement system records to reflect her prior service.

Mr. VanOverbeke stated that after reviewing the documents, including the collective bargaining agreement, he has concluded that because she did not repay her contributions as she was notified, that she is not entitled to that prior service credit. Mr. VanOverbeke added that Ms. Acquaviva would be eligible to request that her prior credited service be recognized under Section 5 of the Reciprocal Retirement Act, and if she does so, the prior service credit may only be used to qualify for a retirement benefit, and will not be used for any benefit calculations.

Ms. Acquaviva stated that she would like to clarify some of the inconsistencies in the legal report, because she was put on a leave of absence and was consequently fired in 2000. After going to arbitration, two years later she was given a job back and that the arbitrator considered her to be on a leave of absence because the City did not follow the proper procedure and should not have fired her. Ms. Acquaviva stated that upon coming back to the City, she was given a 20-hour-per-week position and she contacted the pension office to find out how much it would take to buy back the two years, and found that the amount was too much to pay while in a 20 hour salary. The memorandum in the packet comes from a settlement from an application for a Public Services position that she did not receive, but was then offered after the grievance hearing. As a counter offer, she had asked to remain in her current position, an adjusted pay rate, and for her seniority date to be reflected as December 12, 1995. Ms. Acquaviva stated that her main concern is receiving reciprocal credit for the two years for retirement eligibility purposes.

Ms. Sylvester stated that it is clear that this was a misunderstanding involving terminology,

It was **moved** by Fraser and **seconded** by Flack to receive and file the legal opinion, and to acknowledge that the prior service credit counts under the Reciprocal Retirement Act for benefit eligibility purposes.

**Approved**

Mr. VanOverbeke requested that Mr. Powell formally place Ms. Acquaviva's prior City service time on a future resolution for Board approval. Ms. Acquaviva asked that the corrected timeline be included for clarification purposes, and Ms. Sylvester agreed that the detailed discussion be included in the meeting minutes. Mr. Kahan asked if it would make sense for Ms. Acquaviva to provide a written summary from her perspective to the Retirement Office for placement in the file,

and Mr. Fraser agreed that Ms. Acquaviva should have an opportunity to indicate what her position is with respect to the timelines for the record.

**D. ACTION ITEMS**

**D-1 Designation of Individuals Authorized to Represent the City of Ann Arbor Employees' Retirement System with Respect to The Northern Trust Company**

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, 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, Section 1:556(3) of Chapter 18 of the Code of Ordinances, City of Ann Arbor, Michigan, provides that the Retirement System assets may from time to time be placed with a custodial service provider designated by the Board of Trustees, and

WHEREAS, Section 20(f) of Public Act 314 of 1965, as amended, provides that an investment fiduciary may use 1 or more nominees to facilitate transfer of the Retirement System's securities and may hold the securities in safekeeping with the federal reserve system, a clearing corporation, or a custodian bank which is a member of the federal reserve system, and

WHEREAS, the Board of Trustees and City Treasurer have heretofore determined that The Northern Trust Company, an Illinois corporation, is a firm with the professional expertise and capability to provide services permitted pursuant to Section 20(f) of Public Act 314 of 1965, as amended, and

WHEREAS, Section 13(4) of Public Act 314 of 1965, as amended, permits the Board of Trustees to use a portion of the income of the Retirement System to defray the costs of investing, managing, and protecting the assets of the Retirement System; and may retain investment and all other services necessary for the conduct of the affairs of the Retirement System; and may pay reasonable compensation for those services, and

WHEREAS, The Board of Trustees and The Northern Trust Company entered into a Master Custody Agreement regarding the assets of the City of Ann Arbor Employees' Retirement System effective February 1, 1998, and

WHEREAS, from time to time, the Board of Trustees, by resolution, needs to advise The Northern Trust Company of the individuals authorized to represent the City of Ann Arbor Employees' Retirement System with respect to The Northern Trust Company, therefore it be

RESOLVED, that any two of the following individuals: Willie J. Powell, Judith Refalo, and N. Gail Jarskey are authorized to act for and on behalf of the Board of Trustees from time to time in taking all such action under the Master Custody Agreement as may be necessary to carry out the intent and meaning of the Agreement, including effecting intra account transfers, in writing, for all Northern Trust Company trust accounts as related to the Retirement System; and

FURTHER RESOLVED, that any two of the following individuals: Willie J. Powell, Judith Refalo, and N. Gail Jarskey are authorized to instruct in writing The Northern Trust Company to effect wire transfers from the aforementioned trust accounts on behalf of the Board of Trustees, and

FURTHER RESOLVED, that any two of the following individuals: Willie J. Powell, Judith Refalo, N.

Gail Jarskey are authorized to instruct in writing The Northern Trust Company to effect wire transfers from the Ann Arbor-Cash Account to the City of Ann Arbor JP Morgan Chase wire payment account when specified as City of Ann Arbor Employees' Retirement System reimbursement to the City Retirement System staff wages and fringe benefits on behalf of the Board of Trustees, with the limitation that all such wires must be signed/co-signed by at least one of the following individuals: Willie Powell, Judith Refalo, or N. Gail Jarskey, and

FURTHER RESOLVED, that this resolution supersedes any previous representations to The Northern Trust Company relating to the designation of individuals authorized to represent the City of Ann Arbor Employees' Retirement System with respect to The Northern Trust Company, and

FURTHER RESOLVED, that this resolution shall be in full force and effect and binding upon the Board of Trustees until it is repealed and until written notice of a repeal is delivered to The Northern Trust Company at its office in the City of Chicago, Illinois.

It was **moved** by Crawford and **seconded** by Fraser to approve the resolution for Designation of Individuals Authorized to Represent the City of Ann Arbor Employees' Retirement System with Respect to The Northern Trust Company.

**Approved**

## **E. DISCUSSION ITEMS**

### **E-1 Poverty Level Pension Adjustments**

Mr. Powell stated that Gabriel, Roeder, Smith & Company has provided a letter regarding this year's Poverty Level Pension Adjustments and that for the first time, there has been a reduction in the National Consumer Price Index for all urban consumers, which decreased by 1.4% from July 1, 2008 to July 1, 2009. The letter indicates that this results in the \$9,800 established on July 1, 2000 when the Index was 172.4 being indexed to approximately \$12,261 as of July 1, 2009. GRS recommended that legal counsel review the circumstances and render an opinion prior to adjusting any affected benefits this year.

Mr. VanOverbeke reviewed his legal opinion, stating that for those employees who retired since Section 1:573(4) of the Retirement Ordinance has been in place, they have an accrued right to a threshold of \$9,800 increased by inflation, and if the number had dropped below the \$9,800 there would perhaps be a greater concern. In conclusion, the report indicates that the unique economic circumstances leading to this year's poverty level pension benefit adjustment required by Section 1:573(4) of the Retirement Ordinance does not violate Article IX, Section 24 of the Michigan Constitution. Nor is there concern that there is a violation of the Retirement Ordinance, Section 1:573(4) states that there shall be an increase, and as a result of this year's indexing there will be an increase. Though the increase is not as large as last year's increase, the provision has been satisfied. Mr. VanOverbeke stated that the Board has full authority, and it is appropriate to adjust that threshold down. It was decided that the legal report will be received and filed, that no action needs be taken at this time, and Mr. Powell will notify the Board as to when the adjustment has been made. Ms. Sylvester suggested that a letter be sent to the appropriate recipients, and the Board agreed.

### **E-2 (Moved after Consent Agenda above)**

### **E-3 Annual Presentation to City Council for December 2009**

Ms. Nerdrum stated that the Audit Committee has discussed if and when to conduct a presentation to City Council to review the Actuarial Reports and Financial Audits, and requests the Board's suggestions. Ms. Nerdrum stated that the auditors have agreed to accelerate their schedule to get their financial audits completed in November, so December may be a good time to conduct the



presentation. Mr. Fraser stated that given what the City is struggling with in terms of the economics this year, he is reluctant to commit to the working sessions too far in advance, and he recalls that the last presentation was conducted during a City Council meeting rather than a working session, and when they are struggling with how many employees to keep and what services to maintain, general information received when there is no action necessary is hard to get Council's attention. Mr. Fraser stated he will certainly work to get this on an agenda, but cannot say as to when that will be.

**E-4     Request from Human Resources Regarding United Way Mailing to City Retirees and Beneficiaries**

Sharie Sell from the Human Resources Office attended the meeting to find out if the United Way Committee could get the Board's permission to approach the retirees with their campaign this year. The Board discussed different options for distributing the information to the retirees, and it was decided that staff would request mailing labels from Northern Trust, and the United Way Committee would reimburse the cost so that they can send the information through U.S. mail.

**F.     REPORTS**

**F-1     Executive Report – August 20, 2009**

**LEGAL COUNSEL RFP**

The RFP for legal counsel was posted July 20, 2009 to the MAPERS website, the Retirement System's website, and was fanned out via the City's bidding process. In addition, electronic copies of the RFP were sent to the following firms: VanOverbeke, Michaud, & Timmony, The Miller Law Firm, P.C., Novara Tesija PLLC, and Racine & Associates. The due date for the RFP is September 21, 2009.

**REBALANCING OF THE VEBA**

The final allocation of \$4,000,000 for international equity was made to Fisher Investments for the City of Ann Arbor Retiree Health Care Benefits Plan. This brought the total investment into the Fisher portfolio of \$8,000,000.00 per the Board's directive. The \$8,000,000.00 was transferred from the Ann Arbor Barclays Aggregate Bond Fund.

\$2.5 million was transferred from Chicago Equity, the Mid Cap manager for the Retiree Health Care Benefits Plan, and placed with Southern Sun, Small Cap manager for the Retiree Health Care Benefits Plan.

The Core Plus strategy utilizing Bradford and Marzec as investment managers for the Retiree Health Care Benefits Plan is not yet funded due to the monthly cash withdrawal restriction placed on the Ann Arbor Barclays Aggregate Bond Fund by Northern Trust. It will likely be towards the end of September or first part of October before funding can occur.

**F-2     City of Ann Arbor Employees' Retirement System Preliminary Report for the Month Ended July 31, 2009**

N. Gail Jarskey, Accountant, submitted the Financial Report for the month ended July 31, 2009, to the Board of Trustees:

7/31/2009 Asset Value (Preliminary)	\$334,030,586
6/30/2009 Asset Value (Audited by Northern)	\$323,280,569
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	\$22,718,964
Percent Gain <Loss>	7.2%

<b>August 19, 2009 Asset Value</b>	<b>\$342,287,963</b>
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**F-3     Investment Policy Committee Report – No Report**

**F-4     Administrative Policy Committee Report – No Report**

**F-5     Audit Committee Report – July 27, 2009**

Following are the Audit Committee minutes from the meeting convened at 4:14 p.m. on July 27, 2009:

Committee Members Present:	Crawford, Kaur, Nerdrum
Members Absent:	Sylvester
Other Trustees Present:	None
Staff Present:	Powell, Kluczynski
Others Present:	None

*Mr. Crawford asked if the Committee will be revisiting the actuarial assumptions and methods (disclosure issue) as well as the amortization period, and Ms. Nerdrum suggested that this item be added to the agenda for the next AC meeting. Ms. Nerdrum noted that there were certain things in the actuarial report that were not clear on what they were actually showing and it had been suggested that footnotes be added to clarify certain items in the report.*

**FIDUCIARY AUDIT UPDATE**

*Mr. Powell stated that Ennis Knupp randomly selected 40 files for their audit, and of the 40 files there were two that showed discrepancies. Mr. Powell explained the two situations and stated that both are in the process of being worked out with the two retirees. Ms. Nerdrum suggested that for quality control that staff should look through the remaining files in that certain group to see if they were all calculated correctly and report back to the Committee before the August 20, 2009 regular Board meeting so that the Board may be updated.*

**AUTHORIZED SIGNATURES RESOLUTION  
& FORM FOR THE NORTHERN TRUST COMPANY**

*Mr. Powell stated that the proposed resolution and signature form for Northern Trust has been updated to reflect current staff and Trustees and he requests that the Committee recommend the documents for Board approval at the August 20, 2009 regular Board meeting.*

*It was **moved** by Crawford and **seconded** by Nerdrum to recommend that the Board of Trustees approve the Authorized Signature Resolution & Form for both the Retirement System and VEBA Trust at the August 20, 2009 regular Board meeting.*

**Approved**

**CORRESPONDENCE FROM ABRAHAM & GAFFNEY, P.C.**

*Mr. Powell stated that this is an informational item, and Abraham & Gaffney has submitted letters to both the Retirement System and VEBA Trust indicating their responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards (GASB), and the planned scope and timing of the Audit. Ms. Nerdrum requested that Mr. Powell contact Abraham & Gaffney to find out if they are able to present the Audits at the November Board meetings. The Committee decided to place an item on the August 20<sup>th</sup> Board meeting agenda to discuss whether a presentation should be made to City Council in early December for the purpose of presenting the Retirement System and VEBA Actuary Reports and Financial Audits.*

## **NEXT AUDIT COMMITTEE MEETING**

*The Committee decided to hold the next Audit Committee meeting on Tuesday, September 1, 2009 at 3:00 p.m. Items to be discussed at the next meeting include the actuarial assumptions and methods, clarifying footnotes in the report, and review of the drafted Fiduciary Audit from Ennis Knupp.*

## **ADJOURNMENT**

*It was **moved** by Crawford and **seconded** by Nerdrum to adjourn the meeting at 4:55 p.m.  
**Meeting adjourned at 4:55 p.m.***

### **F5-A Overpayment Calculation**

Ms. Nerdrum stated that this is regarding an error found in one of the files during the Fiduciary Audit in an FAC calculation, and the retiree was contacted after Gabriel, Roeder, Smith & Company provided a revised calculation. Mr. Powell stated that a letter will be sent to the retiree which will provide three repayment options for the retiree: a lump sum payment, payment over a fixed period of time, or an actuarial equivalent over their lifetime (which would require a signed agreement).

It was **moved** by Nerdrum and **seconded** by Kahan to request legal counsel to draft a written agreement if this retiree decides to elect the actuarial equivalent option for repayment.

**Approved**

### **F-6 Legal Report – Recoupment of Executive Compensation, Barnes & Noble Legal Matter, and the Raiford EDRO Status (moved up from Item H on the agenda)**

Mr. VanOverbeke stated that he would like to make a request and recommendation to go into a closed session for the purpose of discussing a securities litigation matter, a Barnes & Noble legal matter, and the Raiford EDRO Status.

Roll call vote:

Crawford - Yes	Hescheles - Absent	Nerdrum - Yes
Flack – Yes	Kahan - Yes	Stanford - Yes
Fraser – Yes	Kaur - Absent	Sylvester - Yes

*Executive session time: 9:31 – 10:22 a.m.*

It was **moved** by Nerdrum and **seconded** by Crawford to acknowledge receipt of the securities litigation report and direct that legal counsel contact special legal counsel Grant & Eisenhofer and request clarification as to the targeted companies.

**Approved**

It was **moved** by Crawford and **seconded** by Stanford to acknowledge receipt of the information and securities report with regards to Barnes & Noble, and to authorize the Board, through its special legal counsel, to pursue the action as recommended by Grant & Eisenhofer.

**Approved**

It was **moved** by Kahan and **seconded** by Fraser to acknowledge legal counsel's review of the opinion and information in regards to the Raiford matter and to authorize legal counsel to pursue the action as discussed by the Board in closed session.

**Approved**

**G. INFORMATION**

**G-1 Communications Memorandum**

The Communications Memorandum was received and filed.

**G-2 September Planning Calendar**

The September Planning Calendar was received and filed.

**G-3 Vendor Contacts - None**

**G-4 Status of Pending Projects Report**

The Status of Pending Projects Report was received and filed.

**H. EXECUTIVE SESSION – Raiford EDRO Status (*Discussed under legal report above*)**

**I. TRUSTEE COMMENTS**

Mr. Kahan asked Mr. Powell if he was able to locate a news article from Barron's regarding Timber, and Mr. Powell stated that he has not yet had an opportunity, but will work on trying to locate the article.

Ms. Nerdrum welcomed Mr. Stanford to the Board.

**J. ADJOURNMENT**

It was **moved** by Crawford and **seconded** by Fraser to adjourn the meeting at 10:37 a.m.  
**Meeting adjourned at 10:37 a.m.**

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