

**CITY OF ANN ARBOR RETIREE HEALTH CARE BENEFIT PLAN & TRUST
BOARD OF TRUSTEES
Minutes for the Regular Board Meeting
June 19, 2008**

The meeting was called to order by Nancy Sylvester, Chairperson, at 10:56 a.m.

ROLL CALL

Members Present: Boonstra, Crawford, Heatley, Hescheles, Kahan, Nerdrum, Sylvester
Members Absent: Fraser, Kaur
Staff Present: Kluczynski, Powell
Others: Michael VanOverbeke, Legal Counsel
Jeremy Flack, Ann Arbor Fire Department

AUDIENCE COMMENTS - None

A. APPROVAL OF REVISED AGENDA

Item D-3 has been added to discuss the Duplicate Healthcare Coverage Ordinance amendment.

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

B. APPROVAL OF MINUTES

B-1 May 15, 2008 Regular Retiree Health Care Benefit Plan & Trust Board Meeting

It was **moved** by Boonstra and **seconded** by Crawford to approve the May 15, 2008 Board meeting minutes as submitted.
Approved

C. CONSENT AGENDA

C-1 Authorization for Payment of Invoices (\$ 1,250.00)

WHEREAS, the Board of Trustees is vested with the general administration, management and responsibility for the proper operation of the Trust; and

WHEREAS, Section 1:746(1) of Chapter 21 of the Code of the City of Ann Arbor provides that the Trustees may use a portion of the income of the system for payment for reasonable and necessary professional services costs and expenses related to assisting the Trustees and Trust Administrator in the operation of the Trust; and

WHEREAS, the Board of Trustees is required to act with the same care skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; 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, Chris Heatley/Vice-Chairperson, or Jeffrey Kahan/Secretary, and Willie J. Powell, Executive Director.

	<u>PAYEE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1.	Gray & Company	1,250.00	Investment Consultant Retainer – May 2008
	<u>TOTAL</u>	<u>1,250.00</u>	

It was **moved** by Boonstra and **seconded** by Nerdrum to approve the Consent Agenda as presented.

Approved

D. ACTION ITEMS

D-1 Proposed FY 2008/2009 Budget

Mr. Powell reviewed the proposed budget for the 2008/2009 fiscal year. Mr. Powell was asked to provide the Board with a breakdown of the services provided by Northern Trust.

It was **moved** by Boonstra and **seconded** by Crawford to approve the proposed budget for fiscal year 2008/2009.

Approved

D-2 Proposed Increase in Legal Service Fees

It was **moved** by Crawford and **seconded** by Heatley to approve the request from VanOverbeke, Michaud & Timmony, P.C. for an hourly rate adjustment as indicated in his letter dated May 15, 2008.

Approved

D-3 Proposed Ordinance Change to Chapter 21

It was **moved** by Boonstra and **seconded** by Nerdrum to request legal counsel to draft proposed Ordinance amendments for the Board's consideration with regards to issues involving the duplicate coverage for retirees on healthcare insurance, and to give a general overview of the Ordinance to see if there are any other issues to be considered.

Approved

E. **DISCUSSION ITEMS** - None

F. **REPORTS**

F-1 **Investment Policy Committee Report** – No Report

F-2 **Preliminary Investment Reports for the Month Ended May 31, 2008**

N. Gail Jarskey, Accountant, submitted the Financial Report for the month ended May 31, 2008, to the Board of Trustees:

5/31/2008 Asset Value (Preliminary)	\$65,192,688
4/30/2008 Asset Value (Audited by Northern)	\$60,856,405
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	\$538,903
Percent Gain <Loss>	0.9%
June 18, 2008 Asset Value	\$64,044,513

F-3 **Legal Report** - None

G. **TRUSTEE COMMENTS**

There were no Trustee comments at this time.

H. **FUTURE AGENDA ITEMS** - None

I. **ADJOURNMENT**

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

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