

**City of Ann Arbor Employees' Retirement System
Minutes for the Regular Meeting
February 18, 2016**

B

The meeting was called to order by Jeremy Flack, Chairperson, at 8:42 a.m.

ROLL CALL

Members Present: Clark, Flack, Heusel, Monroe, Nerdrum
Members Absent: Crawford, DiGiovanni, Hastie, Lynch
Staff Present: Kluczynski, Walker
Others: Michael VanOverbeke, Legal Counsel

AUDIENCE COMMENTS - None

A. APPROVAL OF AGENDA

It was **moved** by Nerdrum and **seconded** by Heusel to approve the agenda as submitted.
Approved

B. APPROVAL OF MINUTES

B-1 January 21, 2016 Regular Board Meeting

It was **moved** by Clark and **seconded** by Monroe to approve the January 21, 2016 Board Meeting minutes as submitted.
Approved

C. CONSENT AGENDA

C-1 EDRO Certification – Derek Wiseley v. Kathleen Wiseley

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order dated January 15, 2016, wherein Kathleen Wiseley, the Alternate Payee, is awarded certain rights to the benefits of Derek Wiseley, the Participant, and

WHEREAS, the Alternate Payee is entitled to a portion of the Participant's monthly retirement benefit from the Retirement System which is subject to the Alternate Payee making an application for the same, and

WHEREAS, the payments from the plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System, unless the Alternate Payee elects to receive benefits at any time after the Participant reaches his earliest retirement date, and

WHEREAS, the Board's policy is to require that the cost for the actuary's calculations are to be borne by the parties to the domestic relations proceedings, and the order provides that the Participant and the Alternate Payee shall be equally responsible for any and all additional costs for actuarial services, and

WHEREAS, said matter having been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order and will administer benefits consistent with said order upon application of either the Participant or the Alternate Payee, and further

RESOLVED, that a copy of this Resolution be immediately attached as the top sheet of the Participant's pension file and other appropriate records be retained by the Retirement System relative to this matter, and further

RESOLVED, that copies of this resolution be sent to Derek Wiseley, the Participant; Karen Quinlan Valvo, Esq., attorney for the Participant; Kathleen Wiseley, the Alternate Payee; and the Board's Actuary.

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

Approved

D. ACTION ITEMS

D-1 Election of Board Officers (Chairperson, Vice-Chairperson, Secretary)

It was **moved** by Heusel and **seconded** by Clark to retain the existing Board Officers for the 2016 term:

Board Chairperson: Jeremy Flack, Fire Trustee
Vic-Chairperson: Alexa Nerdrum, Citizen Trustee
Secretary: David Monroe, Police Trustee

Approved

D-2 Election of Board Committees

It was **moved** by Clark and **seconded** by Monroe to keep the members of the Committees as currently exists, it however being understood that any member of the Board wishing to be on a Committee can certainly notify the Board Chair and through the Board Chair that change will be made.

Approved

- Investment Policy Committee: *Hastie/Chair, Clark, DiGiovanni, Flack, Monroe*
- Administrative Policy Committee: *Monroe/Chair, Crawford, Heusel, Lynch*
- Audit Committee: *Nerdrum/Chair, Clark, Crawford, Monroe*

E. DISCUSSION ITEMS

E-1 Proposed 2016 Board Retreat Agenda

The Board discussed the proposed Retreat Agenda, deciding to approve it as submitted, with the only change being the timing to the break times and subsequent topics.

8:30 – 9:00 a.m. **Continental Breakfast**

9:00 – 9:30 a.m. **Plan Design Review** - *VanOverbeke / Nerdrum / Walker*

9:30 – 10:30 a.m. **Actuarial Presentations** - *Larry Langer, Buck Consultants*

- 1) Sneak Peek at 2016 Valuation
- 2) Funding Policy Discussion & Public Sector Landscape

10:30 – 10:55 a.m. ***BREAK***

10:55 – 11:45 a.m. **Northern Trust Presentations** - *Patrick Flanagan & James Dominguez*

- 1) Custodial Services Review
- 2) Review of Northern Trust Investment Funds

F-3 Investment Policy Committee Minutes – No Report

F-4 Administrative Policy Committee Minutes – February 9, 2016

Following are the Administrative Policy Committee minutes from the meeting convened at 3:21 p.m. on February 9, 2016:

Committee Members Present: Lynch, Monroe
Members Absent: Crawford, Heusel
Other Trustees Present: None
Staff Present: Kluczynski, Walker
Others Present: None

DRAFTED REVISION TO CURRENT CHANGE OF BENEFICIARY FORM

The Committee reviewed a rough draft of the Beneficiary Election Forms that are currently being revised by legal counsel. Ms. Walker briefly reviewed the forms and explained the need for a more thorough document in regards to how each form differently affects newly-hired employees, vested employees, and those going in to retirement. Ms. Walker stated that legal counsel is still adjusting the language in the document, and the Committee decided to postpone further discussion until the document is provided for review at the March APC meeting.

FIDUCIARY AUDIT RECOMMENDATIONS & CONSIDERATIONS

The Committee began its further review of the Fiduciary Review Recommendations Discussion Guide, specifically, the "Benefits Processing" section. It was determined that the items under this section of the document were recently completed, with a note to question legal counsel about any liabilities pertaining to cross-checking retirement calculations, as well as requesting notices from the City regarding regular updates of collective bargaining contracts that pertain to changes in pension-related language.

ADJOURNMENT

It was moved by Lynch and seconded by Monroe to adjourn the meeting at 4:49 p.m.
Meeting adjourned at 4:49 p.m.

F-5 Audit Committee Minutes – No Report

F-6 Legal Report – No Report

G. INFORMATION (Received & Filed)

G-1 Communications Memorandum

G-2 March Planning Calendar

G-3 Record of Paid Invoices

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

	PAYEE	AMOUNT	DESCRIPTION
1	DTE Energy	112.35	Monthly Gas Fee dated January 13, 2016
2	DTE Energy	163.81	Monthly Electric Fee dated January 13, 2016
3	Allstar Alarm LLC	90.00	Quarterly alarm monitoring – February-April 2016

4	AT&T	411.80	Monthly telephone service
5	Hasselbring-Clark Co.	38.19	Monthly copier cost per copy
6	Shred-It USA	144.45	On-site shredding service 1/11/2016
7	Loomis, Sayles & Company	43,363.09	Investment management fees: 10/1/2015-12/31/2015
8	Fisher Investments	59,566.25	Investment management fees: 10/1/2015-12/31/2015
9	Buck Consultants	1,583.33	Monthly hosting fees – January 2016
10	Comcast	89.49	Monthly Cable Fee
11	City of Ann Arbor Treasurer	399.90	ITSU Service Charge (K. Spade) for January 2016
12	B Green and Clean	140.00	Office cleaning services for January 2016
13	Culligan of Ann Arbor/Detroit	7.00	Water service – February 2016
14	Meketa Investment Group	10,000.00	Investment Consultant Retainer - January 2016
15	Dan Gustafson	199.00	Reimbursement for Fred Pryor/CareerTrack Training
16	Income Research & Mgmt. Inc.	1,990.08	Investment mgmt fees – 10/1/2015-12/31/2015
TOTAL		118,298.74	

G-4 Retirement Report

Retirement paperwork has been submitted by the following employee(s):

Name	Type of Retirement	Effective Date	Group	Years of Service	Service Area
Ronald McLennan	Age & Service	February 21, 2016	Police	24 years, 4 months <i>(which includes 4 years military service credit)</i>	Safety Services Police Department
Brenda Acquaviva	Age & Service	February 29, 2016	General	26 years, 10 months <i>(which includes 13.5 years reciprocal credit)</i>	Community Services Planning & Development

G-5 Analysis of Page Views on City Intranet / Retirement System Page

G-6 City Council Item: Assistant Fire Chief Collective Bargaining Agreement

G-7 City Council Item: Extension of AAPOA Collective Bargaining Agreement

H. TRUSTEE COMMENTS / SUGGESTIONS - None

I. ADJOURNMENT

It was **moved** by Nerdrum and **seconded** by Heusel to adjourn the meeting at 9:34 a.m.
Meeting adjourned at 9:34 a.m.



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