

**CITY OF OWOSSO  
EMPLOYEES RETIREMENT SYSTEM BOARD  
ORGANIZATIONAL MEETING**

**AUGUST 15, 2013**

**7:15 A.M.**

**PRESENT:** TRUSTEES THOMAS COOK, MICHAEL ERFOURTH, WILFRED FARRELL,  
PAUL KLEEMAN, AND MARK MITCHELL.

**ABSENT:** TRUSTEES RONALD PEARSALL, AND MARK SEDLAK.

The trustees agreed among themselves Trustee Farrell would chair the organizational meeting until such time as a Chairperson was elected.

**CALL TO ORDER**

Trustee Farrell called the meeting to order at 7:17 a.m.

**APPROVAL OF AGENDA**

Motion by Trustee Mitchell to approve the agenda as presented.

Motion supported by Trustee Cook and concurred in by unanimous vote.

**ELECTION OF CHAIRPERSON**

Motion by Trustee Cook to nominate Trustee Farrell for Chairperson.

Motion supported by Trustee Erfourth.

Motion by Trustee Mitchell to close nominations.

Motion supported by Trustee Cook.

The appointment of Trustee Wilfred Farrell as Chairperson was approved by unanimous vote.

**ADMINISTRATION OF OATH OF OFFICE**

City Clerk Amy K. Kirkland administered the oath of office to Chairperson Farrell.

**ELECTION OF VICE-CHAIRPERSON**

Motion by Trustee Cook to nominate Trustee Mitchell for Vice-Chairperson.

Motion supported by Trustee Erfourth.

Motion to close nominations by Trustee Cook.

Motion supported by Trustee Erfourth.

The appointment of Trustee Mark Mitchell as Vice-Chairperson was approved by unanimous vote.

**ADMINISTRATION OF OATH OF OFFICE**

City Clerk Kirkland administered the oath of office to Vice-Chairperson Mitchell.

**REVIEW OF RULES OF PROCEDURE**

Motion by Trustee Cook to adopt the Rules of Procedure as follows:

**CITY OF OWOSSO**  
**MUNICIPAL EMPLOYEES RETIREMENT SYSTEM BOARD**

**RULES OF PROCEDURE**

1. These rules are adopted pursuant to Section 2-406 of the City of Owosso Municipal Employees Retirement System Ordinance.
2. The purpose of these rules is to establish procedures to be followed by the Board in its organization and conduct of its business.
3. These rules shall be reviewed, amended, and adopted annually at the organizational meeting of this board.
4. Pursuant to Section 2-406 such rules shall become effective when a copy thereof is filed with the Clerk. A copy of such rules shall also be placed in the Owosso Public Library.
5. The Board shall hold meetings regularly, at least once in each quarter of each year and shall designate the date, time and place thereof annually at their organizational meeting.
6. The Board shall notify the Clerk of the schedule of meetings. This schedule shall be posted along with the Schedule of Regular Meetings of all Boards of the City of Owosso.
7. The Board shall meet in the established Council chambers. If any time set for the holding of a regular meeting of the Board shall be a legal holiday, then such regular meeting shall be held at the same time and place on the next day, which is not a legal holiday.
8. The Board will hold its organizational meeting at the first regular meeting following the installation of new trustees each year.
9. Pursuant to Section 2-408 (a), the Board shall elect from its membership a Chair and Vice-Chair, and will do so each year at its organizational meeting.
10. The Chair shall preside at all meetings of the Board and shall have an equal voice and vote upon all matters of the Board.
11. In the absence or disability of the Chair the Vice-Chair shall act in their place.
12. In the absence of both the Chair and Vice-Chair the trustees present at any meeting shall appoint one of their number to act as Chair during such absence.
13. The Chair and persons acting in his place shall not possess veto power.
14. The Vice-Chair shall succeed to the office of Chair when a vacancy occurs in that office and the Board shall than elect from its membership a new Vice-Chair.
15. Vacancies on the Board will be filled pursuant to Section 2-405 of the City of Owosso Retirement System Ordinance.

16. By order of these rules, an office of trustee shall become vacant upon the occurrence of any of the following events: (1) Expiration of the term of office; (2) Death of the trustee; (3) Resignation of the trustee; (4) Removal from office; (5) Ceasing to possess the qualifications or eligibility required for election or appointment to office; (6) Failure to take the oath for the office within ten days from the date of election or appointment; or (7) Any other event which by law, creates a vacancy.
17. Resignations of trustees who are not members of the City Council or appointed by the City Council shall be made in writing and filed with the Clerk. The Clerk shall notify the Board, forthwith of all resignations and shall read the same to the Board at its next meeting. All such resignations shall be effective when filed with the Clerk, unless a later time of taking effect is specifically stated therein.
18. Absences from more than fifty percent of all meetings in any calendar year shall require notice by the City Clerk to the appropriate appointing or electing entity.
19. Special meetings of the Board, upon notification to the Clerk, shall be held at the regular meeting place of the Board unless otherwise specified at the time a meeting is called, and shall be called on the written request of the Chair, or any two members of the Board, designating the time and purpose of such meeting. The Clerk shall serve a copy of such meeting notice on each member of the Board, and post such meeting notice in a conspicuous place as notice to the membership and general public.
20. No business shall be transacted at any special meeting of the Board except that stated in the notice of the meeting.
21. All regular and special meetings of the Board shall be public meetings and the public shall have a reasonable opportunity to be heard.
22. Pursuant to section 2-408 (b), of the City of Owosso Retirement System Ordinance the city clerk shall serve as secretary to the board, and shall be the administrative officer of the retirement system. By order of these rules and as required of section 2-403 (b) of this ordinance, the Clerk shall conduct an election of trustees each May. Elections will be administered in accordance with Attachment A, Procedure For Electing Trustees To The Employees Retirement System Board Of Trustees.
23. Pursuant to section 2-408 (d), of the City of Owosso Retirement System Ordinance the Board shall appoint an actuary who shall be the technical advisor to the board on matters regarding the operation of the retirement system. By order of these rules the Board shall review and appoint an actuary annually at its organizational meeting each year.
24. Pursuant to Section 2-409, the board shall from time to time adopt such mortality, service, and other tables of experience, and a rate or rates of regular interest, as are necessary to maintain the operation of the retirement system on an actuarial basis. By order of these rules and as recommended by generally accepted practice, an experience review of assumptions and methods used in the actuarial valuations should be accomplished by the actuary every five to ten years, as ordered by this board. (Editor's Note: Date of last experience review 2004)
25. Pursuant to section 2-408 (e), of the City of Owosso Retirement System Ordinance, the Board shall appoint a medical director to hold office at the pleasure of the Board. By order of these rules the Board shall review and appoint a medical director annually at its organizational meeting each year.
26. The Board will refer to and follow by Roberts Rules of Order when not in conflict with the preceding rules of procedure.

Motion supported by Trustee Erfourth and concurred in by unanimous vote.

**DESIGNATE DATE, TIME AND PLACE OF 2013 BOARD MEETINGS**

Motion by Vice Chairperson Mitchell to continue with the same meeting schedule of six meetings per year at 7:15 a.m. in the City Hall Council Chambers as follows: February 20, 2014, April 17, 2014, June 19, 2014, August 21, 2014, October 16, 2014, and December 18, 2014.

Motion supported by Trustee Cook and concurred in by unanimous vote.

**REVIEW OF ATTACHMENT A, PROCEDURE FOR ELECTING TRUSTEES TO THE EMPLOYEES RETIREMENT SYSTEM BOARD OF TRUSTEES**

Vice Chairperson Mitchell indicated that at some point in the future the Board may need to consider allowing retirees to represent closed groups. He said that now may be the time to look into the issue before those groups run out of eligible employees to serve. He went on to say he was open to any arrangement whether it would be replacing current members or adding a seat on the Board. There was brief discussion into the matter with no one objecting to the idea. It was noted that the issue could be used as an opportunity to educate the upcoming newly elected Council members on the composition of the Board and its purpose. It was agreed the item would be discussed further at the October meeting.

Motion by Vice Chairperson Mitchell to adopt Attachment A, Procedure for Electing Trustees to the Employees Retirement System Board of Trustees as follows:

**ATTACHMENT A**

***PROCEDURE FOR ELECTING TRUSTEES TO THE EMPLOYEES RETIREMENT SYSTEM BOARD OF TRUSTEES***

As required by City Code Section 2-403 (b), trustee elections are held each year in May as follows:

- The City Clerk notifies the appropriate current members (i.e. Police members for Police Representative) of the System in April of each year of the vacancies and the availability of nominating petitions.
- Nominating petitions are signed by 33% of employees, but not more than ten (10), who are appropriate current members of the System and filed with the City Clerk.
- Upon receipt of the nominating petitions by the City Clerk, an election is scheduled during the month of May.
- Ballots are distributed to all appropriate current members of the System. This is a secret ballot and is placed in a sealed secrecy envelope and signed by the member. The ballots are placed in a locked ballot box in the City Clerk's office.
- At the close of the voting period, the ballots are removed from the locked ballot box by the City Clerk in the presence of two (2) other current members of the System. The three (3) persons act as the counting board for the election.
- The candidate who receives the highest number of votes is awarded the trustee position.

Motion supported by Trustee Erfourth and concurred in by unanimous vote.

**REVIEW OF ATTACHMENT B, RESOLUTION OF AUTHORIZATION-CITY TREASURER**

Motion by Trustee Erfourth to adopt Attachment B, Resolution of Authorization, City Treasurer, amending section b to reflect the change in health insurance carriers as follows:

**ATTACHMENT B**

***RESOLUTION OF AUTHORIZATION  
CITY TREASURER***

Whereas, pursuant to Chapter 2, Administration, Article VII, Municipal Employees' Pension, Section 2-408, Retirement system officers, Subsection (3), that the City of Owosso Employee Retirement System Board of Trustees hereby resolves that:

- 1) The treasurer is hereby given authorization to pay the following items without prior board action:
  - a. Monthly pension payments to retirees along with associated Federal and State withholding taxes. Such payments may be for previously adopted retirees or new retirees that meet qualifications, but have not yet been approved by the board.
  - b. Physicians Health Plan insurance premiums for retired members through payroll deduction, direct payment or city reimbursable premiums per employee agreement.
  - c. Contractual money manager fees.
  - d. Refund or rollover of member contributions with credited interest for persons withdrawing from the retirement system.
  - e. Office supplies such as check stock, postage or mailing fees required to carry out the administration of the system.
- 2) Items paid under this resolution shall be submitted to the board at the next regularly scheduled meeting for review and approval.
- 3) The treasurer and board shall annually review this resolution at the organizational meeting for appropriate authorizations to be added or deleted.

Motion supported by Trustee Cook and concurred in by unanimous vote.

**REVIEW AND APPOINT ACTUARY**

Motion by Trustee Cook to continue with Gabriel, Roeder, Smith & Company as the Actuary for the Retirement System.

Motion supported by Vice Chairperson Mitchell and concurred in by unanimous vote.

**REVIEW AND APPOINT MEDICAL DIRECTOR**

Motion by Trustee Erfourth to employ Dr. Fred Van Alstine's office as medical director for the Retirement System.

Motion supported by Vice Chairperson Mitchell and concurred in by unanimous vote.

**ADJOURNMENT**

Motion by Trustee Cook to adjourn at 7:31 a.m.

Motion supported by Trustee Erfourth and concurred in by unanimous vote.

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Amy K. Kirkland, Owosso City Clerk