EMPLOYEES' RETIREMENT SYSTEM OF THE COUNTY OF MILWAUKEE
MINUTES OF THE DECEMBER 16, 2015 PENSION BOARD MEETING

1. Call to Order

The Chairman called the meeting to order at 8:30 a.m. at the Marcus Center for the Performing Arts, 929 North Water Street, Milwaukee, WI 53202.

2. Roll Call

Members Present	Members Excused
Linda Bedford	Michael Harper
Laurie Braun (Vice Chair)	
Aimee Funck	
Norb Gedemer	
D.A. Leonard	
Patricia Van Kampen	
Vera Westphal	
Dr. Brian Daugherty (Chairman)	

Others Present

Marian Ninneman, CEBS, CRC, Director-Retirement Plan Services
Mark Grady, Deputy Corporation Counsel
James Carroll, Assistant Corporation Counsel
Vivian Aikin, CRC, ERS Sr. Pension Analyst
Tina Lausier, ERS Fiscal Officer
Mark Murphy, ABS Investment Management Equity Long/Short
William J. Supple, Boston Partners
John Forelli, Boston Partners
Brett Christenson, Marquette Associates, Inc.
Christopher Caparelli, Marquette Associates, Inc.
Steven Huff, Reinhart Boerner Van Deuren s.c.
Ray Kress, Retiree

3. Chairman's Report

The Chairman reported that Gregory Smith resigned from the Pension Board effective December 1, 2015. Mr. Smith cited direct scheduling conflicts between the Pension Board meetings and prior board commitments as the reason for his resignation. Mr. Smith indicated that the scheduling conflicts were unavoidable and expressed disappointment at his inability to serve as an appointed member on the Pension Board. The Chairman thanked Mr. Smith for his service.

4. Minutes—November 18, 2015 Pension Board Meetings

The Pension Board reviewed the minutes of the November 18, 2015 Pension Board meeting.

The Pension Board voted 7-0-1, with Ms. Funck abstaining, to approve the minutes of the November 18, 2015 Pension Board meeting. Motion by Ms. Bedford, seconded by Mr. Leonard.

5. Investments

(a) ABS Investment Management

Mark Murphy of ABS distributed a booklet containing information on the equity long/short investment management services provided by ABS for ERS.

Mr. Murphy introduced himself as a portfolio specialist for ABS and began by providing an update of the firm. ABS has approximately $5.2 billion in assets under management ("AUM") and is currently at its peak AUM. To date, ABS's 2015 net flows are positive at $328 million. One member of ABS's client service team left in 2015 to pursue other opportunities and ABS subsequently added two new members to its client service/business development team in May and September. There have been no significant changes to the firm's senior management and the investment team remains unchanged. ABS completed a major system upgrade in 2015 and is in the process of completing several additional enhancements to its business processes. ABS is also launching a new product by converting an existing global equity long/short product into a registered investment company ("RIC"). The RIC conversion will be effective January 1, 2016 and will allow ABS to offer a broader solution for smaller accredited U.S. investors. Approximately 50% of ABS's investors are pension funds and 21% are endowments and foundations. Approximately two-thirds of ABS's assets are invested in commingled products with the remaining one-third in separate accounts.

Mr. Murphy next discussed the market environment. Since the initial round of quantitative easing ("QE") in the U.S., the U.S. equity markets have tripled. The S&P 500 has performed better during active QE periods versus non-QE periods. However, non-QE periods are more favorable for equity long/short manager performance because when stocks move independently, there is better stock dispersion and equity long/short managers make money. The October 2014 cessation of the QE program in the U.S. has been beneficial to ABS's performance. While the U.S. ended its QE program in 2014, Japan increased its QE purchases and Europe initiated QE in 2105. With the resulting QE tailwind effect in those markets, both Europe and Japan outperformed U.S. and emerging markets in 2015. The continued decline of oil prices throughout 2015 has negatively affected the energy, utilities and materials sectors. The consumer has benefited the most from falling oil prices and consumer discretionary has been the best-performing sector in 2015.

Another major market event occurred when China slightly devalued its currency in August 2015 which created a great deal of market volatility in the 2015 third quarter. ABS believes market volatility will continue into 2016 and the general market outlook remains uncertain. In the current environment, equity valuations appear relatively high and slow economic growth is inhibiting upside market momentum. Sustained low interest rates in developed countries have also limited upside momentum in fixed income and credit. Currency movement is also affecting both investor and company earnings. In terms of general market dynamics, there has been an increased use of passive investments and exchange traded funds ("ETFs") have grown to over 5% of the total global equity market. However, these passive flows, combined with better stock dispersion, should continue to result in improved performance for ABS and active managers in general.

Mr. Murphy then discussed the equity long/short environment. With stock dispersion increasing in the U.S. during 2015, approximately 50% of the S&P 500 stocks are positive and 50% are negative year-to-date. This has created a favorable environment for equity long/short managers with greater opportunities for alpha generation compared to recent years. The industry's largest hedge fund managers have benefited from the rally in large, liquid growth stocks in the U.S. Since 2010, 75% of the hedge fund industry's net inflows have gone into a few large hedge funds. During the last several years, these large hedge fund managers have benefited from the S&P 500 leading the global equity markets. This has also created a very crowded trading environment which is becoming a greater issue in the market. However, because ABS focuses on investments with smaller managers across the globe, it was relatively unaffected by the crowded trades in 2015.

Mr. Murphy next discussed ABS's global portfolio. The portfolio is benchmarked against the MSCI All County World Index ("MSCI ACWI Index"). ABS's goal is to produce equity-like returns with decreased volatility. The portfolio's returns are similar to the MSCI ACWI with approximately half the volatility. Year-to-date, the portfolio is up 4.65%, versus the 0.67% HFRI Fund of Funds Strategic Index ("HFRI FOF Index") and the MSCI ACWI Index at 3.4%.

In response to a question from Ms. Van Kampen regarding the portfolio's sources of outperformance relative to the HFRI FOF Index, Mr. Murphy first noted that ABS recently contacted Hedge Fund Research, Inc. ("HFR") to report a problem with its HFRI FOF Index composition. After further review, HFR has indicated that it will remove a component of the HFRI FOF Index, which will result in a flat year-to-date return versus the current reported rate of 0.67%. The HFRI FOF Index is a fund-of-hedge funds index which ABS believes is the most relevant and useful index to measure its performance against. ABS is currently outperforming the HFRI FOF Index and the majority of its competition. Mr. Murphy stated that ABS's focus on smaller investments has allowed ABS to avoid the crowded trades in the market which has helped contribute to its 2015 outperformance. In addition, approximately 50% of ABS's exposure is to non-U.S., which has also enhanced its performance.

Mr. Murphy continued with a discussion of the portfolio's exposure. The portfolio has approximately 50% of the market exposure of a long-only manager. The portfolio's net exposure declined during the third quarter of 2015 in response to the spike in market volatility. With its net exposure currently at 45%, the portfolio has had historically higher net exposure. However, the portfolio's overall long/short gross exposure remains near historical highs as managers remain confident in the long/short stock picking environment.

Mr. Murphy then discussed the components of the portfolio's 2015 return. The portfolio's year-to-date return is currently at 4.7%, with approximately 1.7% of that resulting from market beta exposure, 0.1% from flexible beta exposure and 2.9% from alpha or net exposure. The portfolio's non-U.S. exposure has performed very well. The portfolio's 2015 top-performing managers by strategy were global long/short, followed by Asia long/short, Europe long/short, technology long/short and health care long/short.

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In response to a question from the Chairman regarding the composition of the portfolio's non-U.S. exposure, Mr. Murphy stated that the portfolio has approximately 50% non-U.S. exposure. The majority of the portfolio's non-U.S. exposure is to Europe, followed by emerging markets Asia, and developed Asia which includes Japan, Hong Kong and Taiwan. The portfolio also has minor exposure to Latin America and emerging Europe.

Mr. Murphy concluded with a discussion of the portfolio's positioning relative to the MSCI ACWI Index. Due in part to the continuing decline in oil prices, the portfolio's positioning has changed since the beginning of 2015. The Energy sector is now at a net short position of -0.8% versus the index at 3.5%. The technology sector has moved from an underweight position to overweight position of 10%, versus the index at 7.4%. As a beneficiary of the drop in oil prices, the consumer discretionary sector is now overweight at 14.6%, versus the index at 6.7%. The portfolio's regional exposure is fairly comparable to the index. Due to ABS's small manager investment focus, the portfolio's net exposure by market cap is underweight to large cap stocks and overweight to small and mid cap stocks relative to the index. The majority of the funds in the portfolio were originally invested early in their track record with small AUM. ABS believes that investing early in the life cycle of smaller managers provides increased transparency and allows for better fee negotiation. Over 50% of the investments in the portfolio were made within the first year of a fund's track record and 46% of the funds in the portfolio have discounted fees. Eighty-five percent of the funds in the portfolio had less than $500 million in AUM at the time of investment and over 60% of the funds provide ABS with full transparency. Mr. Murphy noted that the terms and fees are improving in the hedge fund industry and the future market environment for long/short equity looks promising.

In response to a question from Ms. Van Kampen regarding market downturn correlation, Mr. Murphy explained that during periods of high market volatility, the portfolio will lose approximately half of what the market loses because the portfolio is 50% net exposed. A slowdown in the market would be a better performance environment for the portfolio. For example, despite the fact that the current market is flat to down across all equity indices, the portfolio is up 4% through December 2015.

In response to a question from Ms. Bedford regarding ABS's date of inception, Mr. Murphy stated that ABS's current investment team has been working together since 1994. The current investment team worked together at Garantia Bank which was later purchased by Credit Suisse. The current investment team left Credit Suisse in 2002 to launch ABS's first product in

2003. ABS's current investment team has been together since the development of the fund of hedge funds industry but has remained a niche player in the rapidly growing industry.

(b) Boston Partners

William Supple and John Forelli of Boston Partners distributed a booklet containing information on the large cap equity investment management services provided by Boston Partners for ERS. Mr. Supple introduced himself as the Head of Public Funds at Boston Partners and introduced Mr. Forelli as a Senior Portfolio Analyst for the firm.

Mr. Supple first provided a high-level overview of the firm. As of September 30, 2015, Boston Partners has $72 billion in total AUM, with $30 billion of that in large cap value equity. Boston Partners has been managing large cap value assets for ERS since the firm's inception in 1995. Boston Partners has closed its premium equity all cap value, mid cap value and domestic long/short strategies to new investors. Boston Partners global international equity, global long/short and emerging markets are all growth areas in the firm and remain open to new investors. All strategies are managed with the same investment philosophy, process and team. Boston Partners represents a wide variety of institutional clients in the public, Taft-Hartley and corporate spheres. Aside from a few analyst additions, the composition of the investment team has remained stable. Seven of the firm's portfolio managers are founders of the firm, including the lead portfolio manager for large cap value and co-CEO of the firm, Mark Donovan. The investment team meets biweekly to review all aspects of the portfolio and discuss new investment opportunities.

Mr. Supple concluded his remarks with a discussion of performance. The portfolio is benchmarked against the Russell 1000 Value Index. Since inception, the portfolio has outperformed the index on a relative basis by 140 basis points gross-of-fees. ERS's initial investment with Boston Partners was $35 million in August 1995. Over the last 20 years, ERS has withdrawn $160 million. As of November 30, 2015, total capital appreciation is $244 million, with ending assets of $119 million. Boston Partners recently received an additional allocation of $15 million from ERS, which will increase the total assets to $134 million.

Mr. Forelli continued the presentation with a discussion of the firm's investment philosophy. Boston Partners employs a basic "three circle" investment approach to identify stocks with attributes that will lead to outperformance. Desirable investments will have attractive valuations, strong business fundamentals and positive business momentum. When each of the individual holdings in the portfolio contains these attributes, the overall portfolio will tend to outperform over time. Boston Partners identified E-Bay as an attractive investment following its separation from PayPal, the online payment processing company. E-Bay was forgotten by investors who were more interested in PayPal, because electronic payment processing is a high-growth business. E-Bay has a very attractive valuation and its sales are growing approximately 6% annually. Growth investors discarded E-Bay because internet sales are increasing at a rate of approximately 12% annually. When compared to large retailers such as Wal-Mart, which is trading at over 14 times its earnings with negative growth, E-Bay is very attractive. Boston Partners subscribes to the same philosophy when selling sell stocks in the portfolio. A stock is sold from the portfolio based on its appreciation to price target and a stock is automatically reviewed by an analyst once it falls to within 5% of its price target. Other determining factors involve weakening business fundamentals and reversal of business momentum. Boston Partners recently sold Harley Davidson from the portfolio because it lacked positive business momentum. While Harley Davidson remains a high-quality company, the strong U.S. dollar has impeded its international sales. More importantly, Japanese competitors within the U.S. have become more price-competitive with Harley Davidson because of the weakening yen. Once the currency situation becomes more favorable, Boston Partners will review Harley Davidson and likely reincorporate that stock to the portfolio.

Mr. Forelli next discussed the portfolio's characteristics. Boston Partners purchases stocks that are less expensive and have better free cash flow yield than the Russell 1000 Index. The portfolio's investments are also higher quality, with higher returns on equity. Business momentum is currently the most difficult quality to identify in attractively-valued investments. Boston Partners has relaxed its valuation discipline somewhat recently to find a positive degree of business momentum for the portfolio. Approximately 90% of the companies in the portfolio have positive to neutral earnings momentum.

In response to a question from the Chairman regarding the methodology Boston Partners employs to identify companies projected to exceed the competition in free cash flow yield, Mr. Forelli stated that Boston Partners will not project cash flow yield beyond one or two years. Boston Partners employs a team of research analysts to perform an in-depth and fundamental analysis of potential investments. The team will meet with a company's management team, competitors, suppliers, and other industry consultants to gain insight into the company's anticipated revenues, earnings and cash flows over the next 12 to 24 months. The team also analyzes new product introductions and reviews existing company margins to better predict whether a company will improve or deteriorate over time. All ideas are properly vetted for any pitfalls at the biweekly investment team meetings that include both research analysts and portfolio managers.

Mr. Forelli continued with a discussion of the portfolio's positioning. The top ten holdings comprise 32% of the total portfolio. Financial stocks are trading at very attractive price-to-earnings ratios, and five of the portfolio's top six holdings are in financial stocks. The financial sector is the only sector of the U.S. market trading below average valuations, due in part to increased government regulation. Investors also remain somewhat speculative of financial institutions following the 2007-2008 financial crisis. With attractive valuations, large banks such as JPMorgan Chase, Berkshire Hathaway and Wells Fargo are favored holdings in the portfolio. Boston Partners has thoroughly researched the portfolio's financial holdings and believes they offer compelling investment opportunities. The portfolio is overweight in the finance, healthcare and consumer services sectors. The portfolio is underweight in the utilities and REITs sectors. Relative to other equity alternatives, Boston Partners believes that utilities and REITs are overvalued and is avoiding those sectors in the market.

In response to a question from Ms. Van Kampen, Mr. Forelli stated that there is not a great deal of interest rate sensitivity to the financial companies in the portfolio because the larger financial institutions have greater diversification. The smaller, regional banks will typically have an increased sensitivity to interest rates.

Mr. Forelli concluded with a discussion of market cycle performance. With a focus on attractively-valued high-quality companies, Boston Partners believes they provide value to its clients through the preservation of capital in down markets, while also keeping pace in rising markets. Over the last ten years, the portfolio has outperformed the Russell 1000 Index 60% of the time in down markets and 59% of the time in up markets. Over the entire ten-year period, the portfolio has outperformed the index 59% of the time. The ten-year annualized rate of return is currently at 8% for the portfolio, versus the Russell 1000 Index of 5.7%.

Mr. Forelli thanked the Board for its long-term investment partnership with Boston Partners.

(c) Marquette Associates Report

Brett Christenson and Christopher Caparelli of Marquette Associates distributed the November 2015 monthly report.

Mr. Christenson first provided feedback relative to ABS's recent performance. ABS and long/short managers in general have struggled with underperformance over the last two years. ABS and other long/short managers have previously cited QE and high correlation in the markets as contributing factors to their underperformance. With the end of QE and decreased correlation in the market in 2015, ABS's performance has rebounded nicely. With ABS's previously cited reasons for underperformance now over, Marquette believes that ABS can return to a long-term cycle of outperformance.

In response to a question from Ms. Braun regarding the quality of the HFRI FOF Index ABS uses to measure its performance, Mr. Christenson replied that the HFR indices are subject to quality issues and Marquette does not place a great deal of value in those indices. The fact that ABS contacted HFR to report a problem with its HFRI FOF Index is evidence of such quality issues. Because Marquette is attempting to track ABS's performance more relative to the long-only market, it utilizes two long-only benchmarks besides the HFRX Equity Hedge Index. Marquette has avoided using the HFRI FOF Index because it is a very small sub-index. Mr. Christenson noted that Marquette will review the HFRI FOF Index more closely to determine if it may be a more useful measurement of performance in the Fund.

Mr. Caparelli continued with a discussion of the market environment. Market volatility continued during the month of November and with the exceptions of the high yield markets, there was not a great deal of meaningful return activity. Current overall market trading appears to be a reaction to oil prices. While the economic calendar is traditionally quiet towards the end of the year, a favorable employment report was issued in early December, with a reported 211,000 jobs added in November 2015. Overall employment factors continue to indicate that the U.S. economy is moving along at a satisfactory pace and, later today, the Federal Reserve is expected to announce an increase in short-term interest rates for the first time in almost a decade. It is widely anticipated that the Federal Reserve will raise interest rates 0.25% and that increase is likely already priced into the market. However, Federal Reserve Chair Janet Yellen has clarified that the initial increase is not as important as successive passive increases. While the Federal Reserve has pledged to slowly and steadily increase interest rates throughout 2016, any future action will be data-dependent and such action is not anticipated to have any meaningful impact on current growth in the marketplace.

Mr. Caparelli then discussed the November 2015 flash report. Artisan Partners, Geneva Capital and ABS remain on alert for performance issues. K2 was recently terminated for organizational issues and replaced with Parametric Defensive Equity. The Fund's total market value as of November 30, 2015 was slightly over $1.708 billion. The Fund's fixed income composite is currently underweight by approximately 4%. However, Mr. Christenson will later discuss proposed changes to the Fund's asset allocation. The Fund's 17.6% fixed income allocation is relatively on target with Marquette's recommendation to reduce fixed income to 18%. The Fund's U.S. Equity composite is slightly underweight at 24% versus the policy target of 25%. However, the recent $10 million allocation to Boston Partners is not captured in the November report and that additional allocation will bring the Fund's U.S. equity composite close to the policy target. The international equity composite is slightly underweight at 18.4% versus the 20% policy target, but a recent allocation to the Northern Trust Index Fund will also bring the international equity allocation close to the policy target. At 10.7%, the Fund's hedged equity composite is relatively in line with the 10% target allocation. Real estate is currently overweight at 11.4% versus the policy target of 8.5% and private equity is currently at 5.1% versus the policy target of 6%. Mr. Christenson will also address recommended changes to the Fund's real estate and private equity target allocations later in today's meeting.

Mr. Caparelli next discussed net-of-fees Fund performance. The total Fund composite was down -0.2% for the month of November versus the benchmark at -0.1%. As of November 30, 2015, the Fund's year-to-date return was up at 2.9% versus the benchmark at 1.7%. A review of the Fund's annualized performance reflects outperformance over the one- to five-year periods, and the Fund's ten-year return is currently at 5.9% versus the benchmark at 5.6%. Recent news released from the European Central Bank regarding unanticipated moves in QE resulted in -1.7% international equity returns for the month of November versus the benchmark of -2.1%. Fixed income has served its purpose as the anchor in the portfolio in a volatile market with a year-to-date return of 1.5%, versus the benchmark at 1%. After a great deal of intra-year volatility, the Fund's U.S. equity composite should reflect a slightly positive year-to-date return near year-end. International equity is not keeping pace with U.S. equity and is currently at -1.0% year-to-date relative to its -3.9% benchmark. Much of the underperformance in international equity is the result of commodity and currency driven weakness within emerging markets. Hedged equity is performing well year-to-date with a return of 2.6%. Infrastructure is currently up at 3% year-to-date, versus the CPI + 4% benchmark at 4.9%. Real estate is valued quarterly but will likely be the best-performing asset class in the portfolio for 2015. With three quarters fully reported, real estate is up at 10.9% versus the benchmark at 10.8%. Once the fourth quarter figures are reported, Marquette anticipates that the final 2015 real estate returns will fall within a range of 11% to 13%.

Mr. Caparelli concluded with a discussion of individual manager performance. The Fund's active fixed income manager, J.P. Morgan, is outperforming the Mellon Capital passive index fund year-do-date. All of the Fund's U.S. equity managers appear strong on a year-to-date basis, with a fair amount of outperformance exhibited from Geneva and Artisan. International equity manager performance was complicated in 2015, with some managers underperforming and other managers outperforming their benchmarks year-to-date. With a year-to-date return of -11.7%, OFI is still outperforming its benchmark at -13.0%. Emerging markets has been the biggest headwind to international equity manager performance. Currency is another factor negatively affecting international equity performance as the U.S. dollar continues to strengthen, creating a headwind for U.S. investors. Under hedged equity, as ABS previously discussed, their 2015 performance is very favorable at 4.6% year-to-date. Parametric has only one full month of performance to report, but is up 70 basis points for the month of November relative to the HFRX Equity Hedge Index.

In response to a question from Ms. Braun, Mr. Caparelli recommended that Geneva, Artisan and ABS remain on alert through the end of 2015 However, Mr. Caparelli noted that Marquette will review manager alert status with the Board again in early 2016.

Mr. Christenson next discussed Marquette's final recommended changes to the Fund's current asset allocation. Since May of 2015, Marquette has been holding discussions with the Investment Committee and Pension Board to review and discuss the options to change the Fund's current asset allocation. After continued analysis and discussion of its most recent asset allocation study, Marquette projects that Portfolio Option A will provide the largest increase to returns, while maintaining a relatively low level of risk to the Fund. The largest increase to overall returns is projected to result from increasing the Fund's private equity allocation from 6% to 10% over the next several years. Siguler Guff was introduced to ERS as a small buyout private equity fund-of-funds manager in 2012 and has performed very well for the Fund. While Adams Street has struggled somewhat with performance recently, it remains a top-tier private equity fund-of-funds manager. ERS recently shifted its investment focus from Adams Street's traditional funds to its co-investment fund. ERS recently added Mesirow as a third private equity manager in the Fund and Mesirow is currently drawing down capital for its most recent fund offering. With these three managers, Marquette believes the Fund has a healthy diversification to serve as a base for increasing its private equity allocation to 10% over the next several years. The Fund already has a healthy allocation to other areas of alternative investments in real estate, infrastructure and hedged equity which are performing well. Fixed income is projected to be the lowest returning asset class on an absolute basis over the next ten years. Marquette recommends reducing the Fund's fixed income allocation from 22% to 18% and reallocating that 4% to private equity. Marquette projects these changes will provide the largest enhancement to future returns while maintaining a relatively low level of overall risk. With a change to Portfolio Option A, Marquette projects that the Fund's average annualized 10 year returns will increase from the current projected rate of 7.05% to 7.56%.

Mr. Christenson concluded with a discussion of ERS's projected private equity allocation. Private equity is an active asset class which requires continual monitoring. Private equity assets are committed to closed funds which are slowly drawn down and eventually issue cash distributions over an extended period of time. If ERS made no additional private equity commitments, the Fund's current private equity allocation would reach a peak of approximately 7.5% in 2018. As those private equity funds enter distribution mode, ERS's private equity allocation would diminish to the 1% to 2% range by 2025. At the last Investment Committee meeting, Marquette discussed maintaining a placeholder with Siguler Guff's newly launched Small Buyout Opportunities Fund III ("SBOF III Fund"). Siguler Guff recently announced that investors committed to its SBOF III Fund by its first closing date in January 2016 will receive a reduced fee. Therefore, Marquette is advancing its timeline and recommending the Board approve a commitment of $40 million to the SBOF III Fund. Marquette projects that a $40 million allocation to the SBOF III Fund will allow the Fund to reach an 8.5% private equity allocation by 2018. However, this projection is subject to change depending on the Fund's overall future returns. High overall Fund returns would lead to a lower expected private equity allocation, while lower overall Fund returns would result in a higher expected private equity allocation. Marquette prefers to build a private equity commitment model that would initially call for smaller commitments and reevaluate the need for any additional increases in the next one to two years. Marquette's current commitment model projects future private equity commitments of $30 to $40 million every two to three years to maintain a 10% private equity allocation.

In response to a question from Ms. Braun regarding the deadline to make an initial commitment to the SBOF III Fund, Mr. Christenson stated that Siguler Guff had agreed to issue a placeholder for ERS in its SBOF III Fund with a verbal commitment. However, Siguler Guff has advised Marquette they would like to have the documents completed and executed for the SBOF III Fund's first capital call in January 2016.

In response to a follow-up question from Ms. Braun, Mr. Christenson advised that Marquette will contact Siguler Guff to confirm whether they will continue to accept a verbal agreement from ERS into January 2016 to allow Marquette sufficient time to perform a complete review of the SBOF III Fund documents.

6. Investment Committee Report

Ms. Van Kampen reported on the December 7, 2015 Investment Committee meeting. The Investment Committee first discussed real estate allocation. Mr. Christenson began the discussion by reporting that ERS recently received a $20 million capital call from UBS due January 5, 2015. The Investment Committee then discussed possible funding sources for the UBS capital call. The Committee noted that the Fund's real estate composite is approximately $50 million overweight, with the vast majority of assets invested with Morgan Stanley. The Committee expressed some reluctance to remove assets from one of the Fund's best-performing managers but with approximately 8% of the Fund's total assets, the Committee determined that Morgan Stanley is too overweight. The Investment Committee concluded that it would recommend to the Pension Board removing $35 million from Morgan Stanley, with $20 million of those assets to be used for funding the UBS capital call.

The Investment Committee next discussed the Siguler Guff private equity commitment. With Marquette's recommendation to increase the Fund's private equity allocation to 10%, the Investment Committee recommended the Pension Board approve a $40 million commitment to Siguler Guff. The additional $40 million commitment to Siguler Guff is projected to increase the Fund's private equity allocation to 8.5% by 2018. The Committee also recommended that the Fund's private equity allocations be reviewed annually and projected additional private equity commitments of $30 to $40 million every two to three years. With the new private equity commitment model in place, the Fund is currently projected to reach a 10% private equity allocation by 2020.

The Investment Committee concluded with a discussion of the Fund's overall asset allocation. Mr. Christenson reviewed the most recent portfolio options recommendations to change the Fund's current asset allocation study. Marquette projects that Portfolio Option A will provide returns closest to the 8% actuarial rate of return while maintaining an overall lower level risk. Portfolio Option A will reduce fixed income from 22% to 18% and increase private equity form 6% to 10%. All other asset allocations will remain unchanged under Portfolio Option A. The Investment Committee determined that Portfolio Options B and C should be eliminated due to the amount of increased risk each of those options would add to the Fund. The Investment Committee unanimously recommended the Pension Board change the Fund's asset allocation policy to Portfolio Option A. However, the Committee noted that under Portfolio Option A, the Fund's average annualized 10-year return is only projected to increase to 7.56%, which is still below the Fund's current 8% actuarial rate of return. The Investment Committee also recommended that the Fund's asset allocation model be reviewed again in 1.5 years.

The Pension Board unanimously approved reducing real estate investments with Morgan Stanley by $35 million, of which, $20 million shall be designated for funding the January 5, 2016 UBS capital call. Motion by Ms. Van Kampen, seconded by Ms. Bedford.

The Pension Board unanimously approved a $40 million commitment to Siguler Guff private equity and, future private equity commitments of $30 to $40 million every 2 to 3 years which shall be reviewed annually. Motion by Mr. Leonard, seconded by Ms. Bedford.

The Pension Board unanimously approved changing the Fund's asset allocation policy to Portfolio Option A, as presented and discussed by Marquette Associates and recommended by the Investment Committee. Motion by Ms. Van Kampen, seconded by Mr. Leonard.

Mr. Christenson then noted that because the $35 million withdrawal from Morgan Stanley will not be processed until the end of the 2016 first quarter, the Fund's excess cash will be used to fund the UBS capital call.

Mr. Grady then provided follow-up comments regarding the Fund's current assumed rate of return. Mr. Grady suggested that the Investment Committee and/or Pension Board add agenda items to its upcoming meetings to obtain feedback from Marquette and Buck Consultants regarding possible changes to the Fund's 8% assumed rate of return. Mr. Grady suggested that discussions should initially focus on determining the appropriate rate of return. Once a conclusion is reached regarding a specific rate of return, subsequent discussions should focus on a timeline for reaching the final goal. Although the Pension Board is ultimately responsible for making any changes to the Fund's assumed rate of return, once the Investment Committee develops some firm goals, the resulting proposals should be relayed to County-level officials as soon as possible for additional feedback.

In response to a question from Ms. Westphal regarding the desired nature of input from the Buck Consultants, Mr. Grady stated that the actuary has already provided verbal opinions at prior meetings regarding changes to the Fund's current assumed rate of return. While the actuary has previously stated that he believes over the longer 10- to 20-year term, 8% is an acceptable rate of return for the Fund, he may also agree that a revised rate is acceptable. Marquette and the actuary have previously provided data related to the Fund's current peer group rates and future market expectations. While new data is not necessarily needed to make an informed decision, the discussions should continue and a decision should be made in time to allow for any possible changes to be incorporated into the 2016 actuarial valuation report.

In response to a question from Ms. Van Kampen, Mr. Christenson stated that Marquette will discuss possible changes to the Fund's assumed rate of return with the Investment Committee at its next scheduled meeting in February 2016. Mr. Christenson also suggested that it may be valuable to receive input from the actuary illustrating the potential impact any changes to the Fund's assumed rate of return may have on County contributions.

Mr. Grady expressed agreement with Mr. Christenson's suggestion and noted the additional input from the actuary should be requested in time for review and discussion at the February 2016 Investment Committee meeting.

7. Audit Committee Report

Ms. Westphal reported on the December 3, 2015 Audit Committee meeting. The Audit Committed first discussed the 2016 budget. Ms. Ninneman distributed a copy of the preliminary 2016 budget and a report comparing ERS's 2015 actual expenses to its budgeted expenses through October 2015. Ms. Ninneman explained to the Committee that ERS is projected to have a $2 million surplus for 2015 because the V3 system upgrade initially included in the 2015 budget was postponed. In addition, the results of an internal study conducted by Milwaukee County's Information and Management Services Division ("IMSD") determined that the V3 system upgrade will not be included as a County project. Therefore, ERS will move forward with the V3 upgrade in 2016, which is expected to take 18-24 months to complete.

Ms. Westphal then called for additional questions from the Board regarding ERS's 2016 preliminary budget.

Ms. Ninneman noted that ERS has reviewed its operations in multiple areas over the last few years and is now operating with increased efficiency. The increased efficiency has resulted in the elimination of some unnecessary software and training programs which has also provided for additional budgetary savings.

In response to a question from Ms. Braun regarding a detailed explanation of the $142,000 expense listed under "outside services" on the 2016 preliminary budget, Ms. Ninneman explained that the expense is, in part, related to two verification processes the Retirement Office performs monthly. The first process involves monthly address verifications and the second process involves monthly death verifications. Other related expenses include costs related to external operational audits, 1099 processing and an educational program designed to improve member website education.

In response to a question from Ms. Braun regarding a detailed explanation of the $15,000 expense listed under "office equipment" on the 2016 budget, Ms. Ninneman explained that the expense is related to new two-sided scanners. The Retirement Office currently only has one-sided scanners and staff has requested the two-sided scanners for increased office efficiency.

In response to a question from Ms. Braun regarding an explanation for the $30,000 increase in 2016 costs under "medical services," Ms. Ninneman confirmed that the increase in costs are related to ERS's new medical review contract with Managed Medical Review Organization, Inc. ("MMRO"). Besides a large backlog of re-exams, there will be additional costs incurred with MMRO in 2016 related to psychiatric exams.

In response to a question from Ms. Braun regarding a change under "miscellaneous expenses" from $45,000 in 2015, to $0 in 2016, Ms. Ninneman explained that the 2015 miscellaneous expenses were simply reallocated to the appropriate budget categories for 2016.

In response to a question from Ms. Van Kampen regarding an increase in 2015 actual costs related to actuarial consultant fees, Ms. Ninneman explained that ERS pays a set monthly fee to the actuary which includes costs related to the annual actuarial valuation. However, any additional work performed by the actuary is charged at a premium and the actuarial expenses were under budgeted for 2015.

In response to a follow-up question from Ms. Van Kampen, Ms. Ninneman stated that the 2015 increase in actuarial fees does not include any additional costs related to the actuarial COLA contribution error. Any additional work performed by the actuary related to the COLA contribution error was covered by the standard fees related to preparation of ERS's annual valuation report.

In response to a question from Ms. Westphal regarding IMSD approval for future purchases of ERS hardware or software, Ms. Ninneman confirmed that ERS is now required to obtain IMSD approval for any future purchases. However, the V3 system upgrade is not required to be included as part of the IMSD approval process.

The Pension Board voted unanimously to approve the 2016 ERS Preliminary Budget. Motion by Ms. Bedford, seconded by Mr. Gedemer.

Ms. Westphal continued reporting on the December 3, 2015 Audit Committee meeting. The Audit Committee next discussed the disability process. Ms. Ninneman reported that the implementation process with MMRO is close to completion but MMRO has requested changes to the "any job" standard for non-Deputy Sheriff ADR applicants. Ms. Ninneman distributed a document outlining the proposed changes to the "any job" standard for the Committee's review and consideration. The proposed changes incorporate best practices currently implemented by other U.S. public funds. Mr. Grady explained that the Pension Board has the authority to implement some of the proposed changes, while other changes will require County Board action. The Audit Committee requested additional information as to what other municipalities are doing regarding those aspects of the disability process. The Audit Committee agreed to revisit the matter for possible presentation to the full Pension Board. Mr. Grady also advised the Committee of a recent change to Wisconsin state law involving a requirement for psychiatric disability claims that ERS must also incorporate into its disability process.

The Audit Committee concluded with a discussion of the 2016 proposed meeting schedule. Ms. Ninneman distributed the proposed meeting schedule for the 2016 Pension Board and Committee meetings for review.

Ms. Braun then moved that the Pension Board adjourn into closed session under the provisions of Wisconsin Statutes section 19.85(1)(f) with regard to item 9 for considering the financial, medical, social or personal histories of the listed persons which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of those persons, and may adjourn into closed session under the provisions of Wisconsin Statutes section 19.85(1)(g) with regard to items 8 through 11 for the purpose of the Board receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation. At the conclusion of the closed session, the Board may reconvene in open session to take whatever actions it may deem necessary concerning these matters.

The Pension Board unanimously agreed by roll call vote 8-0 to enter into closed session to discuss agenda items 8 through 11. Motion by Ms. Braun, seconded by Ms. Bedford.

8. Pending Litigation

(a) *Tietjen v. ERS*

The Pension Board took no action on this item.

(b) *Trapp, et al v. Pension Board*

The Pension Board took no action on this item.

(c) *Mecouch v. ERS*

The Pension Board took no action on this item.

(d) *Walker v. ERS*

The Pension Board took no action on this item.

(e) *Baldwin v. ERS*

The Pension Board took no action on this item.

9. Appeal - Mary Fumo

In open session, the Chairman stated that Ms. Fumo requested to appear before the Pension Board to appeal the payment of interest related to her pension overpayments. The Chairman noted, however, that Ms. Fumo is not present today.

Ms. Lausier then explained to the Board that she spoke with Ms. Fumo via telephone and explained that the December 16, 2015 Pension Board meeting would begin at 8:30 a.m. However, Ms. Lausier also explained to Ms. Fumo that she could not specify the exact time the Pension Board would discuss her appeal. Ms. Lausier advised Ms. Fumo she could arrive at 8:30 and wait for the Board to discuss her appeal if she so desired.

Messers Grady and Huff noted that the Chairman's letter to Ms. Fumo also indicated that the December 16, 2015 Pension Board meeting would begin at 8:30 a.m.

In response to a question from Ms. Braun, Messes Lausier and Ninneman confirmed that Ms. Fumo expressed a desire to appear before the Pension Board today to state her objection to the interest payment for the record.

Mr. Grady then noted that the current time was 10:30 a.m. Mr. Grady suggested that because Ms. Fumo received notification of the meeting start time in writing and via telephone, the Pension Board should proceed with their closed session discussion and, if possible, decide on the matter.

The Pension Board discussed the matter in closed session.

After returning to open session, the Pension Board voted unanimously to deny the appeal by Mary Fumo, motion by Ms. Van Kampen, seconded by Ms. Bedford, consistent with the discretion assigned to the Pension Board by Ordinance section 201.24(8.17) to interpret the Ordinances and Rules of the Employees' Retirement System of the County of Milwaukee ("ERS"), based on the following facts and rationale:

Factual Background

1. Ms. Mary Fumo retired on January 3, 2015.

2. In February 2015, Ms. Fumo received a letter from ERS explaining her monthly pension benefit. The letter informed Ms. Fumo that she would receive her first pension benefit check on February 28, 2015. This benefit check would include her monthly benefit of $1,742.91 and a pro-rated retroactive payment for January 2015.

3. In February 2015, Ms. Fumo received her first pension benefit check which included her monthly benefit of $1,742.91 and a pro-rated retroactive payment of $1,630.46 for January 3 - January 31, 2015, totaling $3,373.37.

4. An error occurred in entering Ms. Fumo's payment by which the pro-rated retroactive payment for January 2015 continued as a monthly benefit until February 2019.

5. In November 2015, it was discovered that Ms. Fumo continued to receive this retroactive payment each month in addition to her monthly pension benefit. This error resulted in a monthly overpayment of $1,630.46 for March 2015 through August 2015 and a monthly overpayment of $1,630.37 for September and October 2015, for a total overpayment of $13,043.50.

6. ERS corrected the error, and Ms. Fumo will receive the correct monthly benefit going forward.

7. On November 11, 2015, ERS notified Ms. Fumo of its error and requested that she pay back the $13,043.50 overpayment, plus interest in the amount of $245.24. ERS informed Ms. Fumo it would offset her future benefit payments if she did not repay the amount by November 30, 2015.

8. Ms. Fumo appealed ERS's decision under Rule 1050. Ms. Fumo agreed to repay the overpayment, but argued that she should not have to pay the interest that has accrued on the overpayment amount.

9. Ms. Fumo has since repaid the overpayment in the amount of $13,043.50, but has not paid the interest accrued.

10. ERS notified Ms. Fumo of the meeting and the opportunity to speak to the Pension Board regarding her appeal. However, Ms. Fumo did not appear at the meeting in person nor did she send a representative.

<u>Pension Board Conclusions</u>.

1. Rule 1050 provides the procedures for ERS to follow when it determines that a member's benefit was paid in error and that the member has received an overpayment.

2. Rule 1050(1) states that upon discovery of an erroneous payment, ERS shall determine whether the benefit should have been paid and in what amount.

    a. Ms. Fumo received a one-time retroactive payment in February 2015 for a benefit owed in January 2015. Then Ms. Fumo continued to erroneously receive the retroactive payment in March 2015, and every month thereafter, in addition to her monthly benefit payment.

b. In November 2015 ERS discovered that Ms. Fumo continued to receive the retroactive payment in the months following February 2015 and subsequently concluded that Ms. Fumo was receiving an erroneous benefit.

3. When a payment has been made in the wrong amount, Rule 1050(1)(b) requires that ERS pay the member the correct benefit amount going forward.

   a. ERS ceased the payment of the monthly retroactive benefit and has continued to pay Ms. Fumo her correct monthly benefit amount.

4. In accordance with Rule 1050(2)(c), the Retirement Office notified Ms. Fumo of its error in writing and explained the nature and amount of the overpayment. ERS also requested that Ms. Fumo repay the entire overpayment, plus interest, in a lump sum payment. ERS further indicated that if Ms. Fumo declined to repay the overpayment in a lump sum, ERS intended to reduce the amount of Ms. Fumo's future benefit payments until it recovered the overpayment amount, plus interest.

5. While Ms. Fumo did not appear at the Pension Board meeting, in her appeal letter, Ms. Fumo argues that she did not cause this error, and it is unfair for her to be penalized for the error in the form of an interest payment. Ms. Fumo also argues that the interest rate ERS assessed is unreasonable.

6. Rule 1050 requires ERS to collect interest on an overpayment. Additionally, Rule 1050(2)(b) provides for a 5% interest rate payable on the overpayment (as described in Rule 403). Furthermore, requiring ERS to collect interest on an overpayment is consistent with the overpayment correction methods in the IRS's Employee Plans Compliance Resolution System, which plans follow to correct errors such as overpayments.

   a. In accordance with the interest calculations specified in the Ordinances and Rules, ERS determined that it had overpaid Ms. Fumo in the amount of $13,043.50, with $245.24 accrued interest.

7. ERS is a tax-qualified plan under the Internal Revenue Code ("Code") and must comply with Code requirements applicable to

governmental plans, including being administered in accordance with the Ordinances and Rules.

8. Additionally, while Ms. Fumo is not directly responsible for the error in the calculation of her benefit, she was informed by ERS of her monthly benefit amount and was told that she would be receiving a one-time payment with her first benefit check. At no time did Ms. Fumo contact ERS to question why she continued to receive an additional amount each month. Ms. Fumo had the information to realize that there may be an error in her benefit after the first month. Therefore, the Pension Board declines to accept an equitable argument that Ms. Fumo should not be charged interest on the overpayment.

9. The Pension Board finds that because Rule 1050 requires ERS to collect interest on an overpayment and Ms. Fumo had reason to know of a potential overpayment, Ms. Fumo is responsible for paying the interest on the overpayment amount.

10. <u>Actuarial Valuation Error</u>

The Pension Board took no action on this item.

11. <u>Report on Compliance Review</u>

The Pension Board took no action on this item.

12. <u>Reports of ERS Manager & Fiscal Officer</u>

(a) <u>Retirements Granted, November 2015</u>

Ms. Ninneman presented the Retirements Granted Report for November 2015. Fifteen retirements from ERS were approved, with a total monthly payment amount of $15,625.15. Of those 15 ERS retirements, 5 were normal retirements and 10 were deferred. Two members retired under the Rule of 75. Twelve retirees chose the maximum option and one retiree chose Option 3. Five of the retirees were District Council 48 members. Two retirees elected backDROPs in amounts totaling $145,853.82.

Ms. Ninneman reported that the Retirement Office has a full appointment schedule for the January 2016 and appointment times for February 2016 are filling up quickly, suggesting an increase in retirements over the next few months.

In response to a question from the Chairman, Ms. Ninneman confirmed that an increase in retirements during the beginning of the calendar year is not unusual because members typically wait to receive their annual vacation allotments before retiring.

(b) Retirement Services Update

Ms. Ninneman reported that an offer was extended yesterday to an applicant for the remaining open clerical specialist position in the Retirement Office. The clerical specialists are expected to be fully staffed by January 4, 2016. While the retirement specialists have historically performed pension estimate calculations, the clerical specialists will now undergo training to also respond to member requests for pension estimates via telephone.

(c) Employee Election

Ms. Ninneman provided an update on the upcoming election for the employee-elected member seat on the Board which will expire in February 2016. Currently, five individuals have taken out nomination papers and ERS will hold an informational session on December 17, 2015 for any interested members. The informational session will explain the purpose and duties of the Pension Board, summarize the entire election process and answer other questions interested members may have. Nomination papers are due in the Retirement Office by January 4, 2106 and the new term will begin March 1, 2016.

(d) ERS Insurance Renewal

Ms. Ninneman concluded with a discussion of ERS's fiduciary insurance policy renewal. Fiduciary insurance coverage protects ERS administration and the County against unexpected losses, damages, claims and lawsuits. The Pension Board has typically utilized a broker to purchase its fiduciary insurance and ERS's current policy expires December 31, 2015. The County is now using a brokerage firm for all of its insurance needs and ERS's 2016 fiduciary insurance policy will be included in the County's bundled brokerage arrangement. There will be no premium increases with ERS's 2016 fiduciary insurance coverage and the 2016 negotiated premium will result in a net savings of $106,000. ERS's new fiduciary insurance policy is effective January 1, 2016 through December 31, 2016.

Mr. Grady noted that ERS's 2016 fiduciary insurance coverage remains unchanged from 2015, with $30 million in layered coverage of $10 million each under AIG, Chubb and Axis Insurance.

Ms. Ninneman then left the meeting to attend another meeting.

(e) Fiscal Officer

Ms. Lausier first discussed the November 2015 portfolio activity report. Benefits and expenses for November were funded with disbursements of $15 million from ERS's general account. The $15 million used for November funding represents a portion of the required contributions ERS recently received from the County. Marquette also utilized a portion of the County's required contributions to fund $10 million with Northern Trust and $15 million with Boston Partners. Ms. Lausier noted that ERS also received additional 2015 contributions from the County in December. There were no capital calls in the month of November. In the first half of December, there was a $900,000 capital call from Mesirow and an $800,000 capital call from Siguler Guff. A $20 million capital call is scheduled for UBS in January 2016.

Mr. Grady then noted that Comptroller Scott Manske suggested, and the County agreed to pay, another $10 million in contributions which the County was not immediately obligated to pay. The County used $10 million of its surplus to help reduce ERS's shortfall in contributions and related interest costs resulting from the 2013-2014 actuarial COLA contribution error.

In response to a question from Mr. Grady, Ms. Lausier stated that ERS received $29 million from the County in November 2015. Approximately $19 million of that was the County's 2014 required contribution amount and $10 million was a portion of the surplus the County agreed to put towards ERS's 2015 contribution. In December 2015, ERS received another $29 million from the County for the remaining portion of its 2015 required contributions. The County recently revised its contribution policy and now makes its required contributions within the same year to avoid paying an 8% interest factor.

In response to a question from Ms. Braun regarding the beginning and ending balance of $8 listed under "State Street overlay" on the November portfolio activity report, Ms. Lausier stated there are essentially no funds remaining in the State Street overlay account because those funds were recently transitioned to Northern Trust. The $8 is just a residual amount remaining in the account and is possibly related to interest earnings.

Ms. Lausier continued with a discussion of BNY Mellon. ERS has utilized BNY Mellon as the custodian for all of its investment accounts. On January 25, 2016, BNY Mellon will be transitioning to a new custody platform which will have more transparency and provide for some enhanced capabilities. For example, funds wired to ERS will automatically appear in ERS's accounts the same day whereas, BNY currently performs manual transfers which can take up to three days to appear in accounts. BNY Mellon's new custody platform will require changes to its current wire instructions and Ms. Lausier has already notified Marquette and all of ERS's managers of BNY's new wire processes effective after January 25, 2016.

In response to a question from the Chairman, Ms. Lausier confirmed that the $52 million approved by the Board at last month's meeting for 2016 first quarter funding should be sufficient and no additional funding requests require approval at this time. In addition, it is likely there will be a surplus from the amounts previously approved for 2015 fourth quarter funding which can be rolled over into 2016. The Retirement Office anticipates a high amount of retirements in the first quarter of 2016 and the unknown impact of backDROPs could potentially have an impact on first quarter funding. However, additional funding can be requested at the January or February 2016 Pension Board meetings if needed.

Mr. Leonard then asked how many remaining years ERS projects members could retire with potentially large backDROP amounts. Ms. Lausier responded by stating that the Retirement Office did at one time issue a report that indicated how many members were eligible for a backDROP benefit, but the report has not been issued for some time. Ms. Lausier stated that she could begin to reissue the report if the Board would like to see those statistics.

Mr. Grady then noted that the backDROP issue has become increasingly complex. Simply reporting who is eligible for a backDROP is no longer the only relevant predicting factor because the County modified ERS's backDROP benefit formula in 2013. Therefore, it would be better to know how many members were eligible for a backDROP benefit on the date the County changed the formula because those are the members who could still receive the "traditional" potentially larger backDROP amounts. Members first eligible for a backDROP benefit on or after the date the formula was changed will likely receive smaller backDROP amounts and, therefore, the likelihood that those members will elect a backDROP benefit is diminished. However, while the amount and frequency of backDROPs will likely diminish in the next five to ten years, there is no way to predict future backDROPs with any certainty because members currently eligible to receive a backDROP benefit could continue to work for another 30 years.

13. Administrative Matters

Ms. Lausier requested approval to attend the Government Finance Officers Association 110th Annual Conference on May 22-25, 2015 in Toronto, Canada.

The Pension Board unanimously authorized the attendance of any interested Pension Board member or ERS staff member to the Government Finance Officers Association 110th Annual Conference. Motion by Mr. Leonard, seconded by Ms. Bedford.

The Pension Board concluded with a discussion of additions and deletions to the Pension Board, Audit Committee and Investment Committee future topic lists.

Ms. Westphal noted a prior request to add a future topic to the Audit Committee to review and discuss procedures to correct benefit administration errors.

After continued discussion among the Board members, it was agreed to add a future topic entitled "Benefit Administration Errors" to the Audit, Budget and Compliance Committee list. The topic will include discussions regarding the reasons for administrative errors, interest rates and who should pay the interest penalty.

In response to a question from Ms. Bedford regarding a future topic entitled "ERS Vendor Top 10 List" under the full Pension Board, Ms. Braun and the Chairman stated that the topic was added at the request of Mr. Smith who asked the Retirement Office to produce a listing of ERS's top ten paid vendors. Mr. Grady then requested that the topic be added to next month's Pension Board meeting agenda and asked Ms. Lausier to include the top ten vendor data in the Fiscal Officer or Retirement Services Director reports.

14. Adjournment

The meeting adjourned at 11:30 a.m.

Submitted by Steven D. Huff,
Secretary of the Pension Board