

**CITY OF ANN ARBOR RETIREE HEALTH CARE BENEFIT PLAN & TRUST
BOARD OF TRUSTEES
Minutes for the Regular Board Meeting
January 17, 2019**



The meeting was called to order by Jeremy Flack, Board Chairperson, at 10:20 a.m.

ROLL CALL

Members Present: Crawford, DiGiovanni, Flack, Lynch, Monroe, Nerdrum, Peariso, Schreier
Members Absent: Hastie
Staff Present: Gustafson, Hammond, Hollabaugh, Orcutt
Others: Michael VanOverbeke, Legal Counsel
Simon Campbell, City Resident

AUDIENCE COMMENTS - None

A. APPROVAL OF AGENDA

It was **moved** by Crawford and **seconded** by Schreier to approve the agenda as submitted.

Approved

B. APPROVAL OF MINUTES

B-1 December 20, 2018 Regular Board Meeting

It was **moved** by Schreier and **seconded** by Crawford to approve the December 20, 2018 Board Meeting minutes as submitted.

Approved

C. CONSENT AGENDA - None

D. ACTION ITEMS

After the discussion regarding the Actuary during the Retirement System Board Meeting, the Board decided to adopt the following motions:

It was **moved** by Nerdrum and **seconded** by Schreier to terminate Findley, providing Findley with a 30 day termination letter effective 30 days from January 18, 2019.

Approved

It was **moved** by Nerdrum and **seconded** by Schreier to retain Gabriel Roeder Smith & Company as the new Actuary subject to negotiation of appropriate Actuarial Services Contract.

Approved

E. DISCUSSION ITEMS - None

F. REPORTS

F-1 Investment Policy Committee Minutes – January 8, 2019

Following are the Investment Policy Committee minutes from the meeting convened at 3:12 p.m. on January 8, 2019:

Member(s) Present: Crawford, DiGiovanni, Hastie, Monroe
Member(s) Absent: Flack
Other Trustees Present: None
Staff Present: Hammond, Hollabaugh, Orcutt
Others Present: Henry Jaung, Meketa Investment Group
John Harris, Meketa Investment Group

INTERIM UPDATE AS OF NOVEMBER 30, 2018

As of November 30, 2018, the balance of the Funds were \$170,419,141 for VEBA. Fiscal year to date performance was -0.9% for VEBA net of fees. Mr. Jaung also reviewed the Act 314 Compliance, stating that all investments are currently in compliance.

UPDATE ON SOUTHERN SUN AND LOOMIS SAYLES TRANSITION

During December last year, Southern Sun's assets were transitioned to Loomis Sayles. Meketa will begin calculating their performance and holding Loomis Sayles accountable starting January 1, 2019.

ADJOURNMENT

It was ***moved*** by Crawford and ***seconded*** by DiGiovanni to adjourn the meeting at 5:09 p.m.
Meeting adjourned at 5:09 p.m.

F-2 Preliminary Investment Reports for the Month Ended December 31, 2018

Wendy Orcutt, Executive Director, submitted the Financial Report for the month ended December 31, 2018, to the Board of Trustees:

12/31/2018 Asset Value (Preliminary)	\$163,555,998
11/30/2018 Asset Value (Audited by Northern)	\$170,638,487
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	(\$7,868,106)
Percent Gain <Loss>	-4.68%
January 17, 2019 Asset Value	\$167,322,315

F-3 Legal Report - None

G. TRUSTEE COMMENTS / SUGGESTIONS - None

H. FUTURE AGENDA ITEMS - None

I. INFORMATION (Received & Filed)

I-1 Record of Paid Invoices

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

	<u>PAYEE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1	VanOverbeke, Michaud & Timmony	\$96.00	Legal Services 7/1/18-9/30/18
2	Southern Sun	\$5,076.00	Investment Management Fees 9/30/18-12/7/18
3	Findley	\$10,000.00	OPEB disclosure and valuation
4	Meketa Investment Group	\$3,750.00	Investment Management Fees - December 2018
	Total	\$18,922.00	

J. ADJOURNMENT

It was **moved** by Monroe and **seconded** by Nerdrum to adjourn the meeting at 10:23 a.m.
Meeting adjourned at 10:23 a.m.



**Wendy Orcutt, Executive Director
City of Ann Arbor Employees' Retirement System**