

**CITY OF ANN ARBOR RETIREE HEALTH CARE BENEFIT PLAN & TRUST
BOARD OF TRUSTEES
Minutes for the Regular Board Meeting
April 19, 2018**

B

The meeting was called to order by Jeremy Flack, Board Chairperson, at 10:03 a.m.

ROLL CALL

Members Present: Clark (Via TX), Crawford, DiGiovanni, Flack, Lynch, Monroe, Schreier
Members Absent: Hastie, Nerdrum
Staff Present: Gustafson, Hammond, Hollabaugh, Orcutt
Others: Michael VanOverbeke, Legal Counsel

AUDIENCE COMMENTS - None

A. APPROVAL OF AGENDA

It was **moved** by Monroe and **seconded** by DiGiovanni to approve the agenda as submitted.
Approved

B. APPROVAL OF MINUTES

B-1 March 15, 2018 Regular Board Meeting

It was **moved** by Monroe and **seconded** by DiGiovanni to approve the March 15, 2018 Board Meeting minutes as submitted.
Approved

C. CONSENT AGENDA – None

D. ACTION ITEMS

D-1 Proposed FY 2018-2019 Expenditure Budget

Ms. Orcutt presented and reviewed the proposed expenditure budget for fiscal year 2018-2019.

It was **moved** by Lynch and **seconded** by Crawford to approve the 2018-19 Expenditure Budget as presented.

Approved

E. DISCUSSION ITEMS – None

F. REPORTS

F-1 Investment Policy Committee Minutes – April 3, 2018

Following are the Investment Policy Committee minutes from the meeting convened at 2:12 p.m. on April 3, 2018:

Member(s) Present: Clark (via TX), Crawford (2:21pm arrival), DiGiovanni, Hastie, Monroe
Member(s) Absent: Flack
Other Trustees Present: None
Staff Present: Gustafson (5:05pm arrival), Hammond, Hollabaugh, Orcutt
Others Present: Henry Jaung, Meketa Investment Group
Keith Beaudoin, Meketa Investment Group
David Diephuis, City Resident

ASSET ALLOCATION ANALYSIS

Mr. Jaung reviewed the VEBA's current Asset Allocation Policy providing several alternative policies. The allocations ranged from conservative 9-10% in equities) to more aggressive (+10

in equities). Mr. Jaung also informed the Committee the importance of Asset Allocation along with how it affects Fund performance providing a 2012, 2017 and 2018 Annual Asset Study Comparison. A lengthy discussion ensued regarding the current policy and the Annual Asset Study Comparison.

The Committee decided to further discuss the asset allocation at the next IPC meeting and would like to provide a preview for the Board at the April Board meeting. Mr. Jaung will call into the meeting to further discuss and answer questions.

ADJOURNMENT

Meeting adjourned at 5:10 p.m.

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

Corbin Hammond, Accountant, submitted the Financial Report for the month ended March 31, 2018, to the Board of Trustees:

3/31/2018 Asset Value (Preliminary)	\$167,208,452
2/28/2018 Asset Value (Audited by Northern)	\$168,605,439
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	(\$1,382,515)
Percent Gain <Loss>	-0.82%
April 18, 2018 Asset Value	\$167,222,515

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

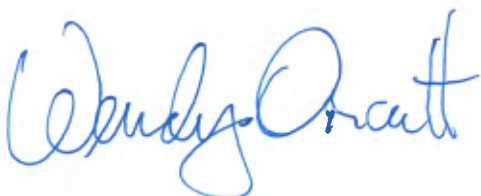
The following invoices have been paid since the last Board meeting.

	PAYEE	AMOUNT	DESCRIPTION
1	Southern Sun	7701.00	Reissued payment for quarter ending 12/31/17
2	VanOverbeke, Michaud & Timmony	399.00	Legal Services 10/1/17-12/31/17
3	VanOverbeke, Michaud & Timmony	2299.00	Legal Services 7/1/17 – 9/30/17
4	Income Research Management	1324.62	Investment Management Fee 12/31/17
5	Meketa Investment Group	3750.00	Investment Consultant Fee March 2018
	TOTAL	15473.62	

J. ADJOURNMENT

It was **moved** by Monroe and **seconded** by Schreier to adjourn the meeting at 10:04 a.m.

Meeting adjourned at 10:04 a.m.



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