

**CITY OF ANN ARBOR RETIREE HEALTH CARE BENEFIT PLAN & TRUST
BOARD OF TRUSTEES**

**Minutes for the Regular Board Meeting
October 17, 2024**

B

The meeting was called to order by Board Chairperson, David Monroe, at 9:18 a.m.

ROLL CALL

Members Present: Buselmeier (*Via TX*), DiGiovanni, Flack, Grimes, Foster, Lynch, Monroe, Nerdrum, Schreier
Members Absent: None
Staff Present: Buffone, Gustafson, Lieder, Orcutt
Others: Michael VanOverbeke-Legal Counsel
Rich Koch, GRS Consulting (*Departed at 9:37 am*)
Francois Pieterse, GRS Consulting (*Departed at 9:37 am*)
Daniel Clark, Rehmann (*Departed at 10:04 am*)
Fred Nimke, Ex-Officio Trustee
Lea Strickfaden, Ex-Officio Trustee

AUDIENCE COMMENTS

A. APPROVAL OF AGENDA

It was **moved** by Flack and **seconded** by Foster to approve the agenda as submitted.
Approved

B. APPROVAL OF MINUTES

B-1 September 19, 2024 Regular Board Meeting

It was **moved** by Flack and **seconded** by Foster to approve the September 19, 2024, Board Meeting minutes as submitted.
Approved

C. CONSENT AGENDA - None

D. ACTION ITEMS

D-1 PRESENTATION: FYE June 30, 2024 Actuarial Valuation

Mr. Pieterse and Mr. Koch were present from GRS to review the drafted Actuarial Valuation for fiscal year ending June 30, 2024. The funded ratio is 93.91% as of this valuation date. The aggregate experience during 2024 was more favorable than assumed due to a small gain from investment returns and a large gain due to favorable claims experience.

Looking ahead

Contribution rates should trend toward the long-term cost (normal cost) of the benefits over time.

- Experience gains/losses will always serve to deviate contributions from pure normal cost.

- As Traditional Plan members leave the workforce and are replaced with new hires, costs will continue to decrease in line with RHRA costs.

Other Items of note:

- Funding value of assets = 97.7% of market value.
- Layered amortization to begin with the June 30, 2025 valuation.

It was **moved** by Flack and **seconded** by Nerdrum to approve to the FYE June 30, 2024 Actuarial Valuations as submitted.

Approved

D-2 PRESENTATION: FYE June 30, 2024 Audited Financial Statements

Mr. Clark was present from Rehmann to present the FYE June 30, 2024 Financial Statements.

It was **moved** by Flack and **seconded** by Nerdrum to accept the Retirement System & VEBA Financial Statements for June 30, 2024.

Approved

E. DISCUSSION ITEMS - None

F. REPORTS

F-1 Preliminary Investment Reports for the Month Ended September 30, 2024

Ms. Orcutt submitted the Financial Report for the month ended September 30, 2024, to the Board of Trustees:

9/30/2024 Asset Value (Preliminary)	\$291,840,632
8/31/2024 Asset Value (Audited by Northern)	\$288,753,741
Calendar YTD Increase/Decrease in Assets <i>(excludes non-investment receipts and disbursements)</i>	\$30,330,588
Percent Gain <Loss>	11.61%
October 16, 2024 Asset Value	\$291,958,315

F-2 Legal Report – None

G. TRUSTEE COMMENTS / SUGGESTIONS

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	Meketa	\$3,750.00	Investment Consulting Fee 9/2024
2	Meketa	\$3,750.00	Investment Consulting Fee 8/2024
3	GRS	\$7,875.00	VEBA Valuations Q4 2024
4	GRS	\$2,825.00	GASB 74/75 Valuation Q4 2024
5	GRS	\$1,250.00	PA 202 Compliance VEBA
	Total	\$19,450.00	

J. ADJOURNMENT

It was **moved** by Flack and **seconded** by Nerdrum to adjourn the meeting at 9:54 a.m.
Meeting adjourned at 9:54 a.m.

Wendy Orcutt

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