

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

**Minutes for the Regular Board Meeting  
September 15, 2022**

**B**

The meeting was called to order by Board Chairperson, Jeremy Flack, at 8:36 a.m.

**ROLL CALL**

Members Present: DiGiovanni, Flack, Grimes, Hastie, Lynch, Monroe, Nerdrum, Praschan, Schreier  
Members Absent: DiGiovanni  
Staff Present: Buffone, Gustafson, Hollabaugh, Orcutt  
Others: Michael VanOverbeke, Legal Counsel

**AUDIENCE COMMENTS**

**A. APPROVAL OF AGENDA**

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

**B. APPROVAL OF MINUTES**

**B-1 August 18, 2022 Regular Board Meeting**

It was **moved** by Monroe and **seconded** by Schreier to approve the August 18, 2022 Board Meeting minutes as submitted.  
**Approved**

**C. CONSENT AGENDA**

**C-1. GASB Disclosure 74/75**

The disclosure has been received and filed.

It was **moved** by Monroe and **seconded** by Nerdrum to approve the consent agenda as presented.  
**Approved**

**D. ACTION ITEMS**

**D-1 Resolution to Sell \$2 Million of the IR&M Intermediate TIPS Fund (1-10 Year Index)**

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retiree Health Care Benefit Plan & Trust, and

WHEREAS, the Board of Trustees is required to act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and

WHEREAS, Meketa as the Retirement System's investment consultant, the Investment Policy Committee (IPC), and the Board of Trustees have approved a strategic asset allocation which reduces the policy target of TIPS to 2%, and

WHEREAS, Meketa as the Retirement System's investment consultant, has recommended selling \$2 million from the IR&M TIPS Index Fund moving the TIPS allocation from its current allocation of 3% closer to its policy target of 2%, so be it,

RESOLVED, that the Board of Trustees approves the sale of \$2 million of the IR&M Intermediate TIPS Index Fund and the proceeds will be used to pay expenses and fund capital calls.

It was **moved** by Monroe and **seconded** by Nerdrum to approve the sale of \$2 million of the IR&M Intermediate TIPS Index Fund and the proceeds will be used to pay expenses and fund capital calls.

**Approved**

**D-2 Resolution to Sell \$2 Million from Russell 1000 Index Fund**

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retiree Health Care Benefit Plan & Trust, and

WHEREAS, the Board of Trustees is required to act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and

WHEREAS, Meketa as the Retirement System's investment consultant, the Investment Policy Committee (IPC), and the Board of Trustees have approved a strategic asset allocation which has the policy target of US Equity at 33%, and

WHEREAS, Meketa as the Retirement System's investment consultant, has recommended selling \$2 million from the Russell 1000 Index Fund to raise cash and also move closer to its policy target, so be it,

RESOLVED, that the Board of Trustees approves the sale of \$2 million of the Russell 1000 and the proceeds will be used to pay expenses and fund capital calls and new commitments.

It was **moved** by Monroe and **seconded** by Nerdrum to approve the sale of \$2 million of the Russell 1000 and the proceeds will be used to pay expenses and fund capital calls and new commitments.

**Approved**

**E. DISCUSSION ITEMS – None.**

**F. REPORTS**

**F-1 Preliminary Investment Reports for the Month Ended July 31, 2022**

Maria Buffone, Accountant, submitted the Financial Report for the month ended August 31, 2022 to the Board of Trustees:

8/31/2022 Asset Value (Preliminary)	\$231,096,481
7/31/2022 Asset Value (Audited by Northern)	\$235,285,671
Calendar YTD Increase/Decrease in Assets <i>(excludes non-investment receipts and disbursements)</i>	(\$28,151,853)
Percent Gain <Loss>	-10.85%
<b>September 14, 2022 Asset Value</b>	<b>\$230,275,273</b>

**F-2 Legal Report – None**

**G. TRUSTEE COMMENTS / SUGGESTIONS**

Ms. Orcutt informed the Board of a retiree who recently has gained guardianship of a grandchild. Healthcare coverage will be temporarily provided for the guardianship.

**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.

	<b><u>PAYEE</u></b>	<b><u>AMOUNT</u></b>	<b><u>DESCRIPTION</u></b>
1	Meketa	\$3,750.00	Investment Consultant Fees 8/2022
	Total	\$3,750.00	

**J. ADJOURNMENT**

It was **moved** by Schreier and **seconded** by Nerdrum to adjourn the meeting at 8:39 a.m.  
**Meeting adjourned at 8:39 a.m.**

*Wendy Orcutt*

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