

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

Minutes for the Regular Board Meeting
June 20, 2019

B

The meeting was called to order by Trustee, Brock Hastie, at 10:25 a.m.

ROLL CALL

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

AUDIENCE COMMENTS

Mr. Hammond thanked the Board stating that his last day with the System will be sometime in July.

A. APPROVAL OF AGENDA

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

B. APPROVAL OF MINUTES

B-1 May 16, 2019 Regular Board Meeting

It was **moved** by Schreier and **seconded** by Peariso to approve the May 16, 2019 Board Meeting minutes as submitted.
Approved

C. CONSENT AGENDA - None

D. ACTION ITEMS - None

E. DISCUSSION ITEMS - None

F. REPORTS

F-1 Investment Policy Committee Minutes – June 4, 2019

Following are the Investment Policy Committee minutes from the meeting convened at 12:14 p.m. on June 4, 2019:

Member(s) Present: Crawford (2:25 p.m. depart), DiGiovanni, Hastie, Monroe
Member(s) Absent: Flack
Other Trustees Present: None
Staff Present: Gustafson, Hammond, Hollabaugh, Orcutt
Others Present: Henry Jaung, Meketa Investment Group

INTERIM UPDATE AS OF APRIL 30, 2019

As of April 30, 2019, the balance of the Funds were \$182,596,624 for VEBA. Fiscal year to date performance was 5.7% for VEBA net of fees. Mr. Jaung also reviewed the Act 314 Compliance, stating that all investments are currently in compliance.

It was **moved** by DiGiovanni and **seconded** by Monroe to rebalance US Equities to within their target range by \$5 Million liquidating from the Russell 1000.

Approved

DYNAMIC ASSET ALLOCATION

This item was postponed due to time constraints.

ADJOURNMENT

It was **moved** by Monroe and **seconded** by DiGiovanni to adjourn the meeting at 2:36 p.m.
Meeting adjourned at 2:36 p.m.

F-2 Preliminary Investment Reports for the Month Ended May 31, 2019

Corbin Hammond, Accountant, submitted the Financial Report for the month ended May 31, 2019, to the Board of Trustees:

5/31/2019 Asset Value (Preliminary)	\$176,878,234
4/30/2019 Asset Value (Audited by Northern)	\$181,648,861
Calendar YTD Increase/Decrease in Assets (excludes non-investment receipts and disbursements)	\$13,437,264
Percent Gain <Loss>	8.22%
June 20, 2019 Asset Value	\$182,175,094

F-3 Legal Report

Mr. VanOverbeke provided the Board with a summary of recent legal decisions of interest to Michigan public retirement and healthcare plans. If there are any specific legal issues/decisions of interest, Mr. VanOverbeke stated that he would be happy to provide more information.

Mr. VanOverbeke also provided a case update regarding Kendzierski, Et Al. v. Macomb County, and that the Board should be aware of the discussion regarding this case. The Michigan Supreme Court recently issued an opinion addressing public employee retiree healthcare benefits. The case was a class action brought on by unionized retirees who were employed under various collective bargaining agreements dating back to 1989.

G. TRUSTEE COMMENTS / SUGGESTIONS - None

H. FUTURE AGENDA ITEMS - None

I. INFORMATION (Received & Filed)

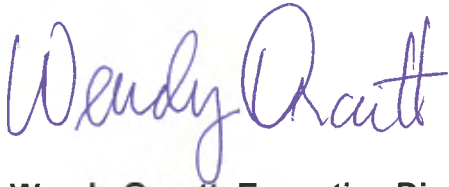
I-1 Record of Paid Invoices

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

	<u>PAYEE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1	Meketa Investment Group	\$3,750.00	Investment Consulting Services May 2019
	Total	\$3,750.00	

J. **ADJOURNMENT**

It was **moved** by Crawford and **seconded** by Hastie to adjourn the meeting at 10:35 a.m.
Meeting adjourned at 10:35 a.m.



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