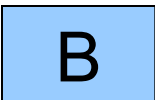


**City of Ann Arbor Employees' Retirement System  
Minutes for the Regular Meeting  
February 20, 2025**



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

**ROLL CALL**

Members Present: Buselmeier (*Departed at 10:34 am*), DiGiovanni, Flack, Foster, Grimes (*Departed at 10:36 am*), Lynch (*Departed at 10:44 am*), Schreier, Toth (*Via TX*)  
Members Absent: Nerdrum  
Staff Present: Buffone, Gustafson, Lieder, Orcutt  
Others: Michael VanOverbeke, Legal Counsel  
Henry Jaung, Meketa (*Via TX; Arrived at 9:01 am, Departed at 9:46 am*)  
Troy Jensen, Innovest (*Via TX; Arrived at 9:46 am, Departed at 10:28 am*)  
Kyli Soto, Innovest (*Via TX; Arrived at 9:46 am, Departed at 10:28 am*)  
Lendall Goff, Voya (*Via TX; Arrived at 9:46 am, Departed at 10:28 am*)  
Andre Watson, Public Citizen (*Departed at 10:41 am*)

**AUDIENCE COMMENTS**

Mr. Watson introduced himself. He is the president of the Ann Arbor NAACP with a background in finance. He wanted to come in to learn more about the System.

**A. APPROVAL OF AGENDA**

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

**Approved**

**B. APPROVAL OF MINUTES**

**B-1 January 16, 2025 Regular Board Meeting**

It was **moved** by DiGiovanni and **seconded** by Schreier to approve the January 16, 2025 Regular Board Meeting minutes as submitted.

**Approved**

**C. CONSENT AGENDA**

**C-1 EDRO Certification: Cathi J. Clemons v. David A. Clemons**

**Cathi Jo Clemons v. David Austin Clemons  
Washtenaw County Circuit Court Case No. 16-001096-DM**

**WHEREAS**, the Board of Trustees is in receipt of an Eligible Domestic Relations Order dated February 5, 2025, wherein Cathi Jo Clemens, the Alternate Payee, is awarded certain rights to the benefits of David Austin Clemons, the Participant, and

**WHEREAS**, the Alternate Payee is entitled to a portion of the Participant's benefits payable the Retirement System which is subject to either the Participant or the Alternate Payee making an application for the same, and

**WHEREAS**, the parties' order provides that the Participant shall designate the Alternate Payee as the surviving spouse for all pre-retirement purposes under the Plan for that portion of the Participant's retirement allowance that is subject to the order, and

**WHEREAS**, the payments from the plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System, unless the Alternate Payee elects to commence his share of the Participant's benefit at any time after the Participant reaches his earliest retirement date, and

**WHEREAS**, the Board's policy is to require that the costs for the actuary's calculations are to be borne by the parties to the domestic relations proceedings, and the order provides that the parties agree to share any such costs equally, and

**WHEREAS**, said matter having been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it

**RESOLVED**, that the Board acknowledges receipt of said court order and will administer benefits consistent with said order upon application of either the Participant or the Alternate Payee, and further

**RESOLVED**, that a copy of this Resolution be immediately attached as the top sheet of the Participant's pension file and other appropriate records be retained by the Retirement System relative to this matter, and further

**RESOLVED**, that copies of this resolution be sent to David Austin Clemons, the Participant; Cathi Jo Clemons, the Alternate Payee; Shalini Nangia, Esq., attorney for the Alternate Payee; and the Board's Actuary.

## **C-2 EDRO Certification: Scott A. Stoner v. Shannon P. Kenny-Sanders**

Scott Alan Stoner v. Shannon Patrice Kenny-Sanders  
Washtenaw County Circuit Court Case No. 21-608-DO

**WHEREAS**, the Board of Trustees is in receipt of a Domestic Relations Order dated January 24, 2025, regarding the Participant, Scott Alan Stoner, and

**WHEREAS**, the Order further provides that "the Participant's election of a reduced Retirement Allowance form of payment under Option III is to be considered void by the Retirement System. The City of Ann Arbor Employees Retirement System ("Plan") shall void any interest of the Alternate Payee, in said plan, including the post-retirement surviving spouse benefit. The Alternate Payee is not entitled to a share of the post-retirement surviving spouse benefit. The reversion to a straight life benefit shall be effective the 1st of the month following the Retirement System's receipt of an appropriate entered court order. Upon qualification of this Domestic Relations Order by the Plan Administrator, Participant's election of a reduced Retirement Allowance form of payment under Option II is voided," and

**WHEREAS**, the Participant had originally chosen a reduced retirement benefit under the Plan's Option III form of benefit at the time of his retirement, and

**WHEREAS**, according to the Order, the Participant now requests that his pension benefit revert to the Straight-Life Allowance<sub>2</sub> option, and

**WHEREAS**, said matter had been discussed with legal counsel who has opined that the applicable terms of the Order are consistent with the provisions of the Retirement System and applicable law including MCLA 46.12a, as applicable, therefore be it

**RESOLVED**, that the Board of Trustees acknowledges receipt of said Order, and will pay pension benefits consistent with said order and applicable law, and further

**RESOLVED**, that Scott Alan Stoner's retirement allowance shall revert to the Plan's Straight Life Retirement Allowance, and further

**RESOLVED**, that the reversion to a Straight-Life Allowance shall be effective February 1, 2025 pursuant to the Retirement System's provisions, and further

**RESOLVED**, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and

**RESOLVED**, that copies of this resolution be sent to Scott Alan Stoner, the Participant; Kathryn A. Gerding, Esq., attorney for the Participant; Shannon Patrice Kenny-Sanders, the Alternate Payee; and the Retirement Commission's Actuary.

### **C-3 2025 NCPERS Annual Conference – May 18-21, Denver, CO**

Authorization For Conference/Training (\$ 3,795.00 (Estimated))

**WHEREAS**, the Board of Trustees (Board) of the City of Ann Arbor Employees' Retirement System (Retirement System) is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, 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**, the Board of Trustees acknowledges that the Retirement System has evolved in complexity such that the circumstances 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 requires continuing education, training, and oversight of its advisors, and

**WHEREAS**, it is necessary, appropriate and incumbent upon Board trustees and/or Retirement System staff, from time to time, to participate in continuing education, training, and/or conduct due diligence trips in relation to their oversight of Retirement System advisors to ensure that Retirement System participants receive the best possible service, benefit and representation from these responsible persons, and

**WHEREAS**, Jen Grimes has requested the Board of Trustees' authorization for her travel to Denver, CO at Retirement System expense, estimated at \$3,795.00, to attend the NCPERS 2025 Annual Conference, and to participate in continuing education in her responsibility as Board Trustee and in keeping with Board policy, therefore it be

**RESOLVED**, the Board of Trustees authorizes the travel request of Jen Grimes to travel to Denver, CO at Retirement System expense, estimated at \$3,795.00, to attend the NCPERS 2025 Annual Conference, to participate in continuing education in her responsibility as a Board Trustee, and

**FURTHER RESOLVED**, that Jen Grimes comply with all travel and reporting requirements as contained in the Board of Trustees previously adopted Travel and Training Policy and Procedures.

It was **moved** by Foster and **seconded** by Flack to approve the consent agenda as presented.

**Approved**

**D. EXECUTIVE SESSION – Disability Re-Examination Review**

Ms. Orcutt informed the Board of the decision form received from the medical director for Mr. Morrow which will be noted as received and filed. No executive session was necessary.

**E. ACTION ITEMS**

**E-1 Motion Regarding Disability Examination Review**

Ms. Orcutt has reviewed the medical report for Mr. Morrow and it is consistent with the Physician's decision. Ms. Orcutt informed the Board that the Physician has concluded that Mr. Morrow's condition renders him mentally or physically totally incapacitated from performing the customary duties of his City employment held at the time of his disability, and that such incapacity will probably be permanent.

It was **moved** by Foster and **seconded** by DiGiovanni that the Board acknowledges receipt of the medical report date February 11, 2025 from Calmeze Dudley Jr., M.D. with regards to the independent medical evaluation of Roman Morrow, noting that the doctor has concluded that he is totally and permanently incapacitated for duty in the service of the City, and that such incapacity will probably be permanent; the Board therefore grants the disability retirement consistent with the Board's Disability Retirement Procedures.

**Approved**

**E-2 FY 2026 Expenditure Budget**

Ms. Orcutt and Ms. Buffone presented and reviewed the FY 2026 Expenditure Budget.

It was **moved** by Foster and **seconded** by Lynch to approve the Fiscal Year 2026 Expenditure Budget.

**Approved**

**E-3 FY 2026 Expenditure Budget – 457 Plan**

Ms. Orcutt and Ms. Buffone presented and reviewed the FY 2026 Expenditure Budget for the 457 Plan.

It was **moved** by Grimes and **seconded** by Schreier to approve the Fiscal Year 2026 Expenditure Budget – 457 Plan.

#### **E-4 FY 2026 Expenditure Budget – 401a Dual Plan**

Ms. Orcutt and Ms. Buffone presented and reviewed the FY 2026 Expenditure Budget for the 401a Dual Plan.

It was **moved** by Lynch and **seconded** by Grimes to approve the Fiscal Year 2026 Expenditure Budget – 401a Dual Plan.

#### **E-5 FY 2026 Expenditure Budget – 401 Executive Plan**

Ms. Orcutt and Ms. Buffone presented and reviewed the FY 2026 Expenditure Budget for the 401 Executive Plan.

It was **moved** by Grimes and **seconded** by DiGiovanni to approve the Fiscal Year 2026 Expenditure Budget – 401 Executive Plan.

#### **E-6 QTR End 12/31/24 401/457 Reimbursement Requests**

The Board reviewed the Quarter End 12/31/2024 401/457 reimbursement requests and agreed to approve.

It was **moved** by Grimes and **seconded** by Lynch to approve to the Quarter End 12/31/24 401/457 reimbursement requests as submitted.

**Approved**

#### **E-7 2025 Spring Annual Newsletter Draft**

The Board reviewed the 2025 Spring Annual Newsletter making some revisions and agreed to approve and mail out.

It was **moved** by Schreier and **seconded** by Grimes to approve the 2025 Spring Annual Newsletter as revised.

**Approved**

#### **E-8 Election Policy Draft**

The Board reviewed the revised Election Policy making some revisions and agreed to approve.

It was **moved** by Schreier and **seconded** by Lynch to approve the Election Policy as revised.

**Approved**

#### **E-9 2025 Spring MAPERS Conference, May 17-20, 2025**

Ms. Orcutt informed the Board of the upcoming Spring MAPERS Conference. Ms. Orcutt requested that any Board members interested in attending should notify the Retirement Office.

It was **moved** by Foster and **seconded** by Lynch to approve any interested Staff or Board Member to attend the Spring MAPERS Conference.

**Approved**

## **F. DISCUSSION ITEMS**

### **F-1 2024 Year End Review and Blackrock IV Discussion**

Mr. Jaung from Meketa presented the quarterly performance reports and noted the key takeaways. Blackrock IV was discussed with an update of their performance within the current Fiscal Year 2025. Mr. Watson commented on if this was due to policy risk or performance issue regarding the performance of Blackrock IV. Mr. Jaung explained that BlackRock has requested input from clients on whether to continue funding new projects or halt capital calls and only continue on with current investments.

It was **moved** by Foster and **seconded** by DiGiovanni to adopt Meketa's recommendation to have Blackrock IV halt future capital calls for funding new projects.

**Approved**

### **F-2 DC Plans Quarterly Review**

Ms. Soto and Mr. Jensen from Innovest presented the Q4 2024 portfolio review and noted the key takeaways.

Len Goff from Voya presented the quarterly performance reports and noted the key takeaways.

### **F-3 4/17/2025 Board Retreat Topics**

The Board discussed possible topics for the Board Retreat.

Meketa – Geopolitical Speaker; Expected Returns & Asset Allocation

Legal – Ordinance/Policy Review of Retiree COLA Increase/Securities Litigation

GRS – SS Fairness Act; Funding landscape as we approach 100%

Innovest – Deep Dive on Target Date Funds as QDIA

Voya – Annual Plan/Secure 2.0 Provision for Mandatory Roth Catch Ups

Staff will present a final agenda in March for approval.

### **F-4 Meketa Fee Increase**

Mr. Jaung discussed the proposed fee increase for the System and VEBA for Investment Consulting Services during his presentation. Later in the meeting, the Board discussed the rate and comparable fees from other Michigan Public Retirement Plans. Given that an RFP is scheduled to take place later this year, the Board decided to take no action at this time.

## **G. REPORTS**

### **G-1 Executive Report – February 20, 2025**

## **HIGHVISTA CAPITAL CALLS**

HighVista Private Equity requested a capital call of our commitment to Fund X in the amount of \$240,000 for the Retirement Plan and \$60,000 for VEBA on 1/31/25 to fund investments. With these installments, CAAERS will have funded 26% of our total commitments of \$4,000,000 for the Retirement Plan and \$1,000,000 for the VEBA.

## **ANGELO GORDON CAPITAL CALLS AND DISTRIBUTION**

Angelo Gordon Direct Lending Fund IV Annex, L.P. issued a distribution in the amount of \$ 1,272,544 for the Retirement System and \$ 530,227 for VEBA consisting of return of capital on 1/27/25.

## **GRAIN COMMUNICATIONS CAPITAL CALLS AND DISTRIBUTIONS**

Grain Communications Opportunity Fund IV issued a distribution (capital call refund) in the amount of \$ 426,801 for the Retirement System and \$ 256,081 for the VEBA on 2/6/2025.

## **BLACKROCK CAPITAL CALLS AND DISTRIBUTIONS**

BlackRock Global Renewable Power Infrastructure Fund III issued a distribution in the amount of \$ 30,376 for the Retirement System and \$ 11,391 for the VEBA on 2/27/2025.

## **ARBORETUM CAPITAL CALLS**

Arboretum Ventures requested a capital call of our commitment to Fund V in the amount of \$360,000 for the Retirement Plan and \$90,000 for VEBA on 2/13/25 to fund five follow up investments. With these installments, CAAERS will have funded 87% of our total commitments of \$8,000,000 for the Retirement Plan and \$2,000,000 for the VEBA.

## **DRA CAPITAL CALLS AND DISTRIBUTIONS**

DRA issued a distribution from the Growth and Income Fund IX on 1/31/25 in the amount of \$ 187,880 for the Retirement System and \$ 55,290 for the VEBA consisting of gains and return of capital netted against carried interest.

DRA issued a distribution from the Growth and Income Fund X on 2/14/25 in the amount of \$ 130,404 for the Retirement System and \$ 86,936 for the VEBA consisting of gains, return of capital and cash from operations netted against management fees.

## **STAFF OPERATIONS/MISCELLANEOUS**

The Pension Analyst processed 28 estimates, 3 final calcs, 7 deceased calcs, 6 non-vested calcs, 1 deferred calcs, 1 payout and conducted 9 pre-sessions. He is also mailing over 100 letters to non-vested participants reminding them that they can remove their contributions should they so choose.

### **G-2 Executive Report – Voya Update**

### **Voya Update – February 20, 2025**

**457 PLAN - Balance at 2/13/2025 - \$ 118,476,000**

Admin Allowance \$ 10,586

**401A PLAN – Balance at 2/13/2025 - \$ 9,558,000**

Forfeiture Balance \$ 93,729

**401A Executive PLAN – Balance at 1/8/2025 - \$ 830,794**

Forfeiture Balance \$ 3,345

**Current Items/Education:**

During the month of January Mike had 14 zoom meetings, 10 phone calls. 25 people attended the webinar on January 29<sup>th</sup> covering Roth vs. Pretax, and demonstrations on contribution changes and updating beneficiaries.

Mike Landolt will be conducting another webinar on February 25<sup>th</sup> featuring a demonstration of Voya’s new Financial Wellness Dashboard, MyOrangeMoney retirement planning tool and estimating your City of Ann Arbor pension.

The flyer highlighting all the recent provisions added to the 457 plan was approved by APC and should be distributed by Voya at the end of February.

**Future Items/Education:**

401 Plan Doc/Ordinance Revisions regarding Force Outs and other updates.

Annual Goals and Communication Plan to be presented at Retreat

401 Force Outs

**G-3 City of Ann Arbor Employees' Retirement System Preliminary Report for the Month Ended January 31, 2025**

Ms. Orcutt submitted the Financial Report for the month ended January 31, 2025 to the Board of Trustees:

1/31/2025 Asset Value (Preliminary)	\$654,814,227
12/31/2024 Asset Value (Audited by Northern)	\$645,750,485
Calendar YTD Increase/Decrease in Assets <i>(excludes non-investment receipts and disbursements)</i>	\$11,376,343
Percent Gain <Loss>	1.8%
<b>February 19, 2025 Asset Value</b>	<b>\$660,410,858</b>

**G-4 Investment Policy Committee Minutes – February 4, 2025**

Following are the Investment Policy Committee minutes from the meeting convened at 3:06 p.m. on February 4, 2025:

Member(s) Present: Buselmeier, DiGiovanni (Via TX), Flack (Via TX), Foster, Toth  
 Member(s) Absent: None  
 Other Trustees Present: Grimes, Schreier (Departed at 4:31 pm)  
 Public Present: David Diephuis<sub>8</sub>



Staff Present: Buffone, Gustafson (Via TX), Lieder, Orcutt (Via TX)  
Others Present: Henry Jaung, Meketa Investment Group (Via TX, Departed at 4:15pm)  
Keith Beaudoin, Meketa Investment Gr. (Via TX, Departed at 4:15pm)

### **PUBLIC COMMENT**

Mr. Diephuis asked what the Board and their investment advisors were thinking in regard to the new presidential administration and whether any pivoting in investment strategy is needed. For example, would digital coin be worth investing in and should the Board also be interested in investing in artificial intelligence (AI). Meketa stated that there is exposure to AI and other strategies in some of the index funds as well as Loomis.

### **ECONOMIC AND MARKET UPDATE DATA AS OF DECEMBER 31, 2024**

Mr. Beaudoin provided an economic update noting that although most major markets finished 2024 in positive territory, in the fourth quarter, with the exception of US stocks, the majority of markets declined. Looking ahead, uncertainty related to the policies of the new Trump Administration and its impact on the economy, inflation, and Fed policy will be key. The path of China's economy and concerns over elevated valuations and technology driven concentration in the US equity market will also be important focuses of 2025.

Mr. Jaung discussed the question Mr. Diephuis asked during public comments addressing the current environment of investing into digital coin and how it follows the tinker-bell effect; it sounds good if you believe in it, but the actuality is it is not a good investment due to transferability of assets. Mr. Jaung also stated that investments could pivot during 2025 especially if a trade war occurs which could increase interest rates and inflation.

### **EXECUTIVE SUMMARY**

**Recap:** The market value of the ERS was \$644 million at the end of December 2024. The performance for QTD, FYTD, and 1-year were -1.9%, 2.5% and 8.5% respectively.

Over the past 3, 5, 7, and 10 years, the ERS has returned 3.7%, 8.3%, 7.8% and 7.6%. These returns have outperformed the 60% Equity/40% Bonds benchmarks as well as the primary benchmark in most periods.

As of December 31<sup>st</sup>, the system has ranked in the top decile in the 5 trailing years and the top quartile in the 7 and 10 trailing years amongst its peer group.

The market value of the VEBA was \$286 million at the end of December 2024. The performance for QTD, FYTD, and 1-year were -2.0%, 2.9%, and 9.1% respectively.

Over the past 3, 5, 7, and 10 years, the VEBA has returned 3.0%, 7.3%, 7.1% and 7.1%. These returns have outperformed the 60%/40% benchmarks as well as the primary benchmark in most periods.

As of December 31<sup>st</sup>, the VEBA has ranked in the top decile in the 5, 7, and 10 trailing years amongst its peer group.

### **RETIREMENT SYSTEM**

Act 314 Compliance Review: All investments are currently in compliance.

December 31, 2024, Performance Update: As of December 31, 2024, the balance of the Funds was \$664,576,097 for ERS. Fiscal Year to Date performance was 2.5% for ERS net of fees.

### **VEBA**

Act 314 Compliance Review: All investments are currently in compliance.

December 31, 2024, Performance Update: As of December 31, 2024, the balance of the Funds was \$286,115,502 for VEBA. Fiscal Year to Date performance was 2.9% for VEBA net of fees.

### **BOARD RETREAT TOPICS**

Mr. Jaung suggested that a possible speaker during the Retreat on April 17, 2025 would be a geopolitical economist to discuss possible new presidential administration policies and how that could impact the market. Meketa will be presenting the 2025 asset allocation plan during the retreat as well.

### **MEKETA FEE DISCUSSION**

[Meketa was dismissed at 4:15 p.m.]

Ms. Orcutt presented an analysis and the committee discussed Meketa's proposed fee increase. The Board discussed possible options including counter offers or waiting for the scheduled RFP later this calendar year. Mr. Schreier expressed interest in looking for possible benchmarks from other systems. Ms. Orcutt will reach out to legal counsel for comparable fees in Michigan pension plans

No motion was entertained and discussion is tabled until the next Board meeting on February 20<sup>th</sup>, 2025.

### **FUTURE MEETING**

The next meeting was scheduled for Tuesday, March 4, 2025, at 3:00 p.m.

### **ADJOURNMENT**

It was ***moved*** by DiGiovanni and ***seconded*** by Flack to adjourn the meeting at 4:36 p.m.  
**Meeting adjourned at 4:36 p.m.**

### **G-5 Administrative Policy Committee Minutes – February 11, 2025**

Following are the Administrative Policy Committee minutes from the meeting convened at 3:05 p.m. on February 11, 2025:

Committee Members Present: Buselmeier, Grimes, Lynch, Schreier (Arrived at 3:06 pm)  
Members Absent: None  
Other Trustees Present: Toth  
Staff Present: Buffone, Gustafson (Via TX), Lieder, Orcutt (Via TX)

Others Present:

None

## **DC PLANS UPDATE**

**457 Force Out Project:** Ms. Orcutt discussed the status of the 457 force out. It has been almost two months since the letters were mailed out on December 20<sup>th</sup>, 2024, to the applicable participants of the 457. Staff will receive a final report from Voya on or around February 20<sup>th</sup> and will do a final check for any rehires before those participants are forced out. In a few months, the System will look to do the same with the 401 participants who have been terminated. Ms. Orcutt stated that prior to the 401 exercise, HR will need to verify that cadets who start in the 401 then transfer to the DB plan are not changed to a terminated status.

**Communication for 2.0 Changes:** Ms. Orcutt discussed the Secure 2.0 draft communication from Voya outlining the recent provisions that have been added. Those provisions are the age 60 catch-up, in-service distributions, qualified disaster relief, and victims of domestic abuse. Ms. Lynch stated that other recordkeepers still need more time for the provisions to be implemented. Ms. Grimes asked what would happen to the contribution limit if a participant is still employed at age 64. Ms. Orcutt stated that their contribution limit would drop down to the standard limit for age 50. Mr. Schreier noted that within the disaster relief provision it should state that to qualify it must be the individual's principal residence.

**First Quarter 2025 Newsletter:** Ms. Orcutt discussed the newsletter from Voya for the first quarter 2025. The Committee agreed to send an A2News note during January or February months and July to remind employees to increase their contributions when receiving their annual raises. Mr. Schreier discussed some language corrections on the second page of the newsletter.

**Annual Retreat Topics:** Ms. Orcutt discussed Voya's intent to do a presentation during the Annual Retreat on Secure 2.0 catch-up Roth stipulations. Voya will also present their annual plan for communications during the Retreat. The Committee discussed the nuances of this IRS issued proposed Roth regulation and that it is a big undertaking for payroll systems. Ms. Orcutt stated that she did convey this change to payroll and HR months ago to give them ample time to prepare. Since the City already has a Roth feature in the 457, it will only need to be adapted in the payroll system. Mr. Schreier asked if the System sends communications out to participants to actively monitor their account statements and payroll checks to prevent fraud issues. Ms. Orcutt explained that the topic would be best for Voya to add to their annual communications initiative.

## **2025 NEWSLETTER DRAFT**

Ms. Orcutt presented the System's annual newsletter. Ms. Grimes asked for the newsletter's cadence which goes out annually between March and April once approved by the Board. The Committee discussed several corrections to the newsletter as well as ideas that the Ex-Officio had for the Annual Retiree Luncheon. One potential speaker was discussed who charges a \$150 fee which the Committee felt was appropriate. During the Ex-Officio meeting in February specific topics will be discussed for the luncheon and the final decision will be added to the newsletter in the luncheon section.

It was ***moved*** by Grimes and ***seconded*** by Schreier to submit the Annual Newsletter as revised to the Board for approval.

**APPROVED**

## **DEATH AUDIT FOR DEFERRED MEMBERS**

Ms. Orcutt discussed the need for a death audit by the System for deferred members. Northern Trust sends two death reports per year but the deferred members do not show up on those reports. Staff decided it would be prudent to send an affidavit to this group periodically as historically it has never been audited. Mr. Orcutt requested a sample from VMT and they provided a draft which is applicable to pension benefits. Ms. Orcutt will revise the language to make it appropriate and share with APC in March or April before proceeding.

## **UPDATE ON TEMP POSITION SEARCH**

Ms. Orcutt explained that once Mr. Lieder is off on paternity leave, he will be off for an extended amount of time. Ms. Orcutt reached out to Human Resources (HR) to post a job availability for a temporary office manager to fulfill Mr. Lieder's duties while he is out. Ms. Orcutt chose several participants to conduct a phone screening with HR, and of those Staff will conduct virtual interviews with three applicants on February 13.

## **DISABILITY APPOINTMENT ISSUE**

The System had two disability members who needed to attend their annual appointments to reassess their disability status. One member did attend but tragically passed away days after. The other member has missed two appointments and is scheduled for today, February 11<sup>th</sup>, 2025, in the morning. One of those appointments missed was due to a weather-related event, the other to going to a wrong address. In both instances, MedSource charges a \$500 no show fee. Ms. Orcutt stated that she will ask MedSource to waive the fee for the weather related event but if they do not, is it appropriate to charge the retiree. The Committee felt that he should be responsible for both fees.

## **ELECTION POLICY DISCUSSION**

Ms. Orcutt presented the revised election policy drafted by Ms. Grimes to the Committee for review. Corrections discussed were the cutoff times for voting and the write in candidate section.

It was ***moved*** by Schreier and ***seconded*** by Lynch to submit the Election Policy as revised to the Board for approval.

**APPROVED**

## **NEXT APC DATE**

Ms. Orcutt and the Committee agreed to hold the next Administrative Policy Committee meeting on March 11, 2025, at 3:00 p.m. at the Pension office.

## **ADJOURNMENT**

It was ***moved*** by Lynch and ***seconded*** by Schreier to adjourn the meeting at 3:54 p.m.  
**Meeting adjourned at 3:54 p.m.**

**G-6 Audit Committee Minutes – None**

**G-7 Legal Report**

Mr. VanOverbeke provided an update and memo on the Social Security Administration repeal of the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO).

Mr. VanOverbeke also provided an update regarding the Northern Trust fraud issue.

**H. INFORMATION (Received & Filed)**

**H-1 Communications Memorandum**

**H-2 March Planning Calendar**

**H-3 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	DTE - Electric	\$129.63	Electric 12/12/2024 to 1/10/2025
2	DTE - Gas	\$160.47	Gas 12/12/2024 to 1/10/2025
3	Milliman	\$3,531.24	MARC Licensure/MFA 210 - 12/2024
4	CertaSite	\$483.91	Fire Suppression Inspection & Equipment - 1/27/2025
5	American Express	\$3,494.37	FedEx, IFEBP, Kroger, NCPERS, S&J, Stadium Trophy, Webers, Culliga
6	Med Source MI	\$975.00	B.Kostanko Medical Evaluation
	<b>Total</b>	<b>\$8,774.62</b>	

**H-4 Retirement Report**

Retirement paperwork has been submitted by the following employee(s):

Name	Retirement Type	Effective Retirement Date	Group	Union	Years of Service	Dept./Service Area
Bradley Hootman	Age & Service	2/8/2025	General	AFSCME	22 Years, 3.5 Months	Public Services
Douglas Egeler	Age & Service	2/15/2025	General	AFSCME	12 Years, 9.5 Months	Public Services
Matthew Kulhanek	Age & Service	2/1/2025	General	NON UNION	18 Years, 1 Month	City Admin. Services

**H-5 Analysis of Page Views on Retirement System Website**

**I. TRUSTEE COMMENTS / SUGGESTIONS**

**J. ADJOURNMENT**

It was **moved** by Foster and **seconded** by DiGiovanni to adjourn the meeting at 11:04 a.m.  
**Meeting adjourned at 11:04 a.m.**

*Wendy Orcutt*

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