

**MINUTES OF THE REGULAR MEETING**  
**City of Aurora General Employees' Retirement Board**

Held Thursday, November 15, 2018  
12100 East Iliff Avenue, Suite 108  
Aurora, CO 80014

**1) 8:00 AM - Meeting Called to Order**

**Roll Call**

Chairperson	David McConico	Present
Legislative Members	Helen DiBartolomeo	Excused
	Cliff Haight	Present
	Joe McCleary	Present
	Michelle Reding	Present
	Sue Sandstrom	Present
	Trevor Vaughn	Excused
Nonvoting Members	Janice Napper (for the City Manager)	Present
	Jackie Ehmann for Terri Velasquez (Finance)	Present
	Dianna Giordano (Human Resources)	Present
	Hans Hernandez (City Attorney)	Present
Staff	Steven Shanks	Present
	Aaron Kahn	Present

**2) Approval of the Minutes**

Aaron Kahn suggested adding a paragraph to the minutes. There were not enough Board member attendees to approve the minutes of the October 18, 2018 meeting, so they will be approved at a future meeting.

**3) Treasurer's Report**

Steve Shanks reviewed financial statements and investment performance for September. On November 8, 2018 the fund was valued at approximately \$467.9 million.

Steve has discussed some of the concerns about the allocation to Private Equity with Alex Browning at Callan. Alex suggested that Callan's pacing model for private equity will slow future commitments. He agreed that the allocation to private equity could end up higher than the upper-bound, but the Board should carefully evaluate any action to take and its impact on returns and fund health. Alex will provide additional information at the meeting on November 29<sup>th</sup>. Steve has been exploring some measurement options to assess the opportunity costs associated with private equity. He also participated in an Abbott webinar in which they discussed some of the lessons learned from Fund V.

**4) Review of Lump Sum Distributions for October**

16 participants took lump sum distributions totaling \$79,616.91.

**5) Approval of Retirement Benefits**

Aaron Kahn presented the retirement calculations. Michelle Reding moved, and Cliff Haight seconded a motion to approve retirement benefits for **A. Marie Anderson, David Emerson, Venus Grace-Scarafiotti, and David R. McMahan**. The motion passed unanimously.

**6) Old Business**

**A) City of Aurora GERP Survey Results – Nancy Wishmeyer, Controller**

Nancy Wishmeyer presented the results of a recent survey to the Retirement Board. She noted that while nearly 70% of respondents are aware of the tools and educational opportunities provided, only 26.7% have used them. In addition, those individuals who have used tools and educational opportunities have had a positive experience with them.

One of the themes of the responses to the survey is financial education for younger participants. Board members agreed. Aaron Kahn noted that he's enjoyed working with Michelle Escobedo to provide information on GERP and the Nationwide 457 Plan in 2018. He stated that a few more detailed presentations are in the works for 2019.

Nancy Wishmeyer noted that more than 50% of the survey respondents were in favor of increasing contributions to improve benefits. Board members noted that this is an indication that the Plan has a good reputation, at least among the survey respondents. Contribution increases are controlled by the Plan document, and ultimately, Aurora City Council. Aaron Kahn noted that participants can enhance their total retirement portfolio through contributions to the Nationwide 457 plan. GERP and the 457 Plan complement one another excellently.

**B) Results of GERP Election for Employee Trustee**

Trevor Vaughn was re-elected to the employee trustee position. His three-year term starts on January 1, 2019. The Board congratulated Trevor and thanked him for his continued dedication to the Plan.

**7) New Business**

**A) Michelle Reding's Reappointment to the Board**

Michelle Reding has formally applied to be reappointed to the Board through the City's Boards and Commissions. Board members expressed their gratitude to Michelle Reding for her service on the Board. Board members indicated their appreciation for Michelle's extensive knowledge, actuarial experience, and leadership. The Board directed Steve Shanks to write a letter to the City of Aurora strongly recommending the reappointment of Michelle Reding to the Board.

**B) Sue Sandstrom's Re-Election to the Board**

Sue Sandstrom confirmed her interest in continuing to serve on the Board. Board members expressed their appreciation for Sue's service to both the Board and the City and the value of her insight and expertise. Joe McCleary moved and Michelle Reding seconded a motion to reappoint Sue Sandstrom as the Board elected member. The motion passed unanimously.

**C) Adoption of Board Calendar**

Steve Shanks presented the Board calendar for 2019. Cliff Haight moved and Sue Sandstrom seconded a motion to adopt that Calendar as presented. The motion passed unanimously.

**8) Public Comments**

There were no public comments.

**9) Report on Travel**

Steve Shanks recently attended the Public Pension Financial Forum. Steve attended most of the investment track presentations and found them valuable. He learned some valuable information about actuarial and financial processes and noted that many plans take a deep dive into expenses.

**10) Staff Report**

Steve Shanks provided a draft of his presentation to Study Session on the Plan's Funding Progress Report. Board members had a few suggestions to streamline and edit the presentation which Steve will incorporate into the final presentation.

Joe McCleary requested that Steve Shanks send a list of his accomplishments to Board members as part of his evaluation.

Michelle Reding moved, and Cliff Haight seconded a motion to adjourn. The motion passed unanimously.

Meeting Adjourned 10:53 AM  
Minutes Submitted by Aaron Kahn

Minutes Approved

David L. McConico  
Chairperson of the Board

12/17/18  
Date