

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

Held Thursday, December 13, 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	Present
	Cliff Haight	Present
	Joe McCleary	Present
	Michelle Reding	Present
	Sue Sandstrom	Present
	Trevor Vaughn	Present
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

Michelle Reding moved and Trevor Vaughn seconded a motion to approve the minutes of the October 18, 2018 meeting. The motion passed unanimously with Cliff Haight, Joe McCleary, and Sue Sandstrom abstaining

Sue Sandstrom moved and Cliff Haight seconded a motion to approve the minutes of the November 15, 2018 meeting. The motion passed unanimously with Helen DiBartolomeo and Trevor Vaughn abstaining.

Cliff Haight moved and Michelle Reding seconded a motion to approve the minutes of the November 29, 2018 meeting. The motion passed unanimously with Helen DiBartolomeo and Sue Sandstrom abstaining.

3) Treasurer's Report

Steve Shanks reviewed financial statements and investment performance for October. On October 10, 2018 the fund was valued at approximately \$455.7 million. Steve Shanks noted that losses have been in line with indexes.

4) Review of Lump Sum Distributions for November

22 participants took lump sum distributions totaling \$184,938.34.

5) Approval of Retirement Benefits

Aaron Kahn presented the retirement calculations. Trevor Vaughn moved and Cliff Haight seconded a motion to approve retirement benefits for **Carol S. Beckett, David S. Emerson, Janice L. Emerson, Mark R. Gleason, Sandra J. Hagar, Michael A. Miller, Thomas J. Pieters, Robert L. Robinson, and Richard C. Tomlin**. The motion passed unanimously.

6) Old Business

A) **Errors and Omissions Insurance**

Steve Shanks presented information regarding the renewal of an Errors & Omissions policy and another option offered by Gallagher Insurance of a Public Officials and Errors & Omissions policy that would cover Errors & Omissions and provide some additional coverage. The Board directed Steve Shanks to follow-up with Gallagher on some specifics of the options prior to renewing the Errors & Omissions policy.

7) New Business

A) **2019 GERP Operating Budget**

Steve Shanks presented a draft of the 2019 GERP operating budget. Steve reviewed the draft line by line. In the draft, Steve anticipated several projects for 2019, including several actuarial studies, Board meeting software, office equipment, and a benefit calculator for the website. Board members suggested that staff should prioritize upgrading the printer and didn't feel the need for Board meeting software or tablets for Board members. Joe McCleary moved and Cliff Haight seconded a motion to approve the operating budget with the amendment that \$6,000 be reallocated from computer software and accessories to furniture and equipment. The motion passed unanimously.

B) **Pension Plan Administrator's 2018 Evaluation – Executive Session**

Michelle Reding moved and Cliff Haight seconded a motion to enter executive session to discuss the Pension Plan Administrator's evaluation. The motion passed unanimously. After the executive session, Cliff Haight moved and Michelle Reding seconded a motion to leave executive session.

David McConico thanked the evaluation committee for their work. The committee will schedule some time to discuss the evaluation with Steve. Joe McCleary moved and Trevor Vaughn seconded a motion to increase Steve Shanks rate of pay by 3% starting on January 1, 2019. The motion passed unanimously.

C) **2018 Interest Rate on Employee Contributions**

Board members discussed the interest rate credited to employee contributions. Sue Sandstrom and Trevor Vaughn have suggested tying the interest rate to an appropriate measure, but also understand some of the advantages of not having the rate fluctuate too much. Trevor Vaughn moved and Sue Sandstrom seconded a motion to leave the interest rate at 4% compounded biweekly. The motion passed unanimously.

8) **Public Comments**

There were no public comments.

9) **Report on Travel**

There was no report on travel.

10) **Staff Report**

Joe McCleary noted recent survey results presented by FINRA regarding the financial capabilities of the population of the United States. He encourages Staff to continue efforts to help educate participants about the value of the pension benefits GERP will provide.

Joe McCleary moved, and Cliff Haight seconded a motion to adjourn. The motion passed unanimously.

Meeting Adjourned 9:50 AM
Minutes Submitted by Aaron Kahn

Minutes Approved

David L. McConico
Chairperson of the Board

1/17/19
Date