

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

Held Thursday, October 21, 2021  
12100 East Iliff Avenue, Suite 108  
Aurora, CO 80014

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

**Roll Call**

Chairperson	David McConico	Excused
Legislative Members	Cliff Haight	Present
	Andrew Jamison	Present
	Michelle Reding	Present
	Sue Sandstrom	Present
	Tom Tobiassen	Present
	Trevor Vaughn	Present
Nonvoting Members	Janice Napper (for the City Manager)	Present
	Terri Velasquez (Finance)	Present
	Ryan Lantz (Human Resources)	Present
	Hans Hernandez (City Attorney)	Present
Staff	Steven Shanks	Present
	Aaron Kahn	Present

Due to concerns about COVID 19, the Board Meeting held on Thursday, October 21, 2021, was conducted via WebEx.

**2) Approval of the Minutes**

Tom Tobiassen made, and Michelle Reding seconded, a motion to approve the minutes of the regular meeting held on September 16, 2021. The motion passed unanimously with Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

**3) Treasurer's Report**

Steve Shanks reviewed the financial statements and investment performance for August. As of October 15, 2021, the fund was valued at approximately \$643.2 million.

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

Twenty-one participants received lump sum payments totaling \$321,092.56.

**5) Approval of Retirement Benefits**

Aaron Kahn presented the retirement calculations. Trevor Vaughn made, and Tom Tobiassen seconded, a motion to approve retirement benefits for **Susan R. Boulanger, Khrystyna D. Koplinski, Leena New, and Carol Valentine**. The motion passed unanimously with Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

**Public Comments**

There were no public comments.

**6) New Business**

**A) Cost of Living Adjustments for January 1, 2022**

Aaron Kahn presented the calculation of the cost-of-living adjustment for the Regular Benefit for Tier 1 participants which is based on the CPI-W. On January 1, 2022, the regular benefit will increase by 5%.

Board members discussed the discretionary cost-of-living increases for the Tier 2 Regular Benefit. Aaron Kahn noted that in 4 out of the last 6 years, the Board has awarded a cost-of-living increase for Tier 2 Regular Benefits. Cliff Haight noted that this increase only affects short service employees, and because he eventually hopes that the Tier 2 cost-of-living increases will be mandatory, he's against an increase. Terri Velasquez suggested that due to recent strong returns she's for an increase. Andrew Jamison feels that GERP is one way that the City can attract new hires. Given the recent returns, he's for a 5% increase. Michelle Reding noted recent returns justify an increase, but she'd be open to an increase different than 5%. Board members want to be cautious about giving the impression that increases are automatic and wish to keep the increase discretionary from an actuarial perspective.

Tom Tobiassen made, and Andrew Jamison seconded, a motion to increase the Tier 2 Regular Benefit by 5% as of January 1, 2022. The motion passed with Andrew Jamison, Michelle Reding, Tom Tobiassen, and Trevor Vaughn; for. Cliff Haight and Sue Sandstrom; against.

The Board opted to not change the Supplemental Benefit.

**B) Discussion of the Process for Distribution of Pension Plan Administrator Review Packet**

Steve Shanks will be sending his part of the Pension Plan Administrators Review Packet to Trevor Vaughn.

**C) Investment of Private Equity Distributions**

Steve Shanks noted that due to Private Equity distributions, the Plan's cash allocation is higher than we want. The asset class that is most below target is real estate. Since it takes some time to allocate assets to real estate, Steve has proposed a two-step process. Steve has discussed his proposal with Alex Browning from Callan, who agrees with the strategy.

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Tom Tobiassen made, and Cliff Haight seconded, a motion to transfer \$13 million from cash, with \$8.7 million to Cohen & Steers listed infrastructure, \$1.9 million to Cohen & Steers REIT fund, and \$2.4 million to Segal Bryant & Hamill. In addition, the second part of the motion committed \$4.3 million to Morgan Stanley, and \$3.4 million to Heitman. The motion passed unanimously with Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

**D) Discuss Re-appointment of Michelle Reding**

Michelle Reding expressed her interest in continuing to serve on the Board. Sue Sandstrom thanked Michelle and noted her experience as an actuary has been a great asset to the Board. She suggested that the Board strongly encourage City Council to reappoint Michelle. Cliff Haight also noted the value of having an actuary on the Board. Terri Velasquez thanked Michelle for her wealth of knowledge and for how engaged she is. Members of the Board thanked Michelle for her interest in continuing to serve and directed Steve Shanks to write a letter to City Council strongly encouraging them to reappoint Michelle Reding to the GERP board.

**E) Election Results**

Steve Shanks announced that Trevor Vaughn was re-elected for a 3-year term. The Board congratulated Trevor. William McCartin from the Election Commission reviewed and signed off on the results and election procedures.

**7) Old Business**

There was no old business.

**9) Report on Travel**

Cliff Haight attended an NCPERS conference. He attended an interesting lecture on people moving around the country to cities like San Francisco, Denver, and the South. Migration of people can affect the economies of these different regions.

**10) Staff Report**

As part of setting up the conference room for hybrid meetings, Steve Shanks had IT Guru set up a separate data line on the other side of the firewall to shield and secure GERP data.

Michelle Reding made, and Cliff Haight seconded, a motion to adjourn. The motion passed unanimously with Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

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Meeting Adjourned 9:11 AM  
Minutes Submitted by Aaron D. Kahn

Minutes Approved

*Sue Sandstrom*

Vice - Chairperson of the Board

11/18/2021

Date