

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

Held Thursday, December 9, 2021
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	Cliff Haight	Absent
	Andrew Jamison	Present
	Michelle Reding	Excused
	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, December 9, 2021, was conducted via WebEx.

2) Approval of the Minutes

Sue Sandstrom made, and Andrew Jamison seconded, a motion to approve the minutes of the regular meeting held on November 18, 2021. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

3) Treasurer's Report

Steve Shanks reviewed the financial statements and investment performance for November. As of December 6, 2021, the fund was valued at approximately \$640.7 million.

4) Review of Lump Sum Distributions for November

Twelve participants received lump sum payments totaling \$102,663.50.

5) Approval of Retirement Benefits

Aaron Kahn presented the retirement calculations. Tom Tobiassen made, and Andrew Jamison seconded, a motion to approve retirement benefits for **David S. Nye** and **John J. Van Essen**. The motion passed

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unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

6) Old Business

There was no old business.

Public Comments

There were no public comments.

7) New Business

A. 2022 GERP Operating Budget

Steve Shanks presented a draft of the 2022 GERP operating budget. David McConico pointed out manager fees, which increased due to high returns, had the largest impact on the increase in budget from 2021 to 2022.

Andrew Jamison made, and Sue Sandstrom seconded, a motion to approve the 2022 Operation Budget as presented. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

B. 2022 Interest Crediting Rate on Employee Contributions

Aaron Kahn presented information on the history of the Plan's interest rate going back to 1983. He noted that the interest rate impacts not only lump sum payments, but also the money purchase benefit. Due to the less generous early retirement reduction, Tier 2 participants who retire early, are more likely to have a money purchase benefit. In addition, the Fund had a good return last year, and some sharing of the return is appropriate for the interest rate that we credit to accounts.

Sue Sandstrom has suggested, in the past, that the Board might consider tying the interest rate to some underlying index to remove the subjective nature. She feels that through the years, the interest rate has come down with long term Treasuries but has generally been a bit higher. She feels that it's appropriate to leave the rate at 4%. Board members agreed. Trevor Vaughn made, and Sue Sandstrom seconded, a motion to leave the interest rate credited to contribution accounts at the current rate of 4%. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

Aaron suggested reviewing this in October instead of December. This would give the Board an opportunity to conduct an actuarial study or request additional information if needed. In addition, it gives the payroll department extra time to make the change on their end. Trevor Vaughn made, and Sue Sandstrom seconded a motion to review the interest rate in October. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

C. **Pension Plan Administrator's 2021 evaluation and 2022 compensation
Executive Session**

Trevor Vaughn made, and Sue Sandstrom seconded a motion, to enter executive session to discuss the Pension Plan Administrator's evaluation. The motion passed unanimously. After the executive session, David McConico made, and Sue Sandstrom seconded, a motion to leave executive session. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

Trevor Vaughn made, and Tom Tobiassen seconded, a motion to increase Steve Shanks's compensation by 5% in 2022 and to give him a \$2,500 bonus for passing his CFP exam. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

8) **Report on Travel**

There was no report on travel.

10) **Staff Report**

Janice Napper announced her retirement and complimented the Board for its accomplishments. Board members congratulated Janice on her retirement and thanked her for her service.

Tom made, and Sue seconded, a motion to adjourn. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

Meeting Adjourned at 9:07am
Minutes Submitted by Aaron Kahn

Minutes Approved

David L. McConico

Chairperson of the Board

January 20, 2022

Date