

Minutes of the Regular Meeting
City of Aurora General Employees' Retirement Board
Held Thursday, March 21, 2024
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 | Present |
| | Andrew Jamison | Present |
| | Michelle Reding | Present |
| | Sue Sandstrom | Present |
| | Tom Tobiassen | Present |
| | Trevor Vaughn | Present |
| Nonvoting Members | Sheree Van Buren (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 |

The Board Meeting held on Thursday, March 21, 2024, was a hybrid meeting conducted via WebEx and in person at the GERP office.

1) Approval of the Minutes

Trevor Vaughn made, and Cliff Haight seconded a motion to approve the minutes of the Regular Meeting held on February 15, 2024. The motion passed with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn, for.

Cliff Haight made, and Trevor Vaughn seconded a motion to approve the minutes of the Investment Managers Meeting held on February 22, 2024. The motion passed with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn, for.

2) Treasurer's Report

Steve Shanks reviewed the financial statements and investment performance for January. As of March 18, 2024, the fund was valued at approximately \$621.2 million.

3) Review of Lump Sum Distributions for February

16 participants received lump sum payments totaling \$263,325.70.

4) Approval of Retirement Benefits

Aaron Kahn presented the retirement calculations for Jesus J. Espinosa, Mark E. Leibman, Mark A. Monroe, and Kevin J. Ross. Sue Sandstrom made, and Andrew Jamison seconded, a motion to approve retirement benefits. The motion passed unanimously, with David McConico, Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

5) New Business

A) Presentation on Pantheon Global Select VII Fund

Brian Buenneke and Iain Jones, Pantheon

The Board has already approved a \$50 million commitment to private equity. Steve provided information regarding the proposed new private equity commitment of \$50 million with \$30 million to HarbourVest and \$20 million to Pantheon.

Iain Jones stated that Pantheon has had over 40 years of private market investing and they invest in diverse strategies including primaries, secondaries, co-investment, infrastructure, real assets, private credit, and real estate. They use a partnership-based approach, sit on many advisory boards, and feel that private equity provides an opportunity to invest in compelling companies not available on the public markets. The fund has provided solid, consistent outperformance versus the public markets.

Brian Buenneke provided an update on the GERP portfolio and described the new portfolio, Global Select VII. He suggested that the new portfolio hopes to take advantage of several economic themes. He noted that healthcare spending is on the rise, both due to an aging population in developed countries, but also an increase in coverage in emerging economies. Technology is rapidly moving forward as more people have access to mobile devices. Companies leverage big data, machine learning, and artificial intelligence, and there continues to be a concern about the security of our data. In addition, companies are taking advantage of

trends in consumer preferences, including healthier and sustainable choices and fast access and delivery of goods and services.

He did note that Pantheon has decreased exposure to China due to some concerns about the ability to deploy funds in China as well as the ability to receive the proceeds of sales. There continue to be opportunities in China, but the political risks are difficult to ignore. Some of the assets that they would have deployed in China are now being shifted to India.

Pantheon likes to form partnerships with companies run by individuals who have experience in the industry. In addition, Pantheon takes their own advisory role very seriously and feel that they can add real value to the partnerships. Their 40-year history and experienced team gives them access to some unique opportunities.

Steve Shanks shared an email from Callan that proposed that GERP use a custom split for the HarbourVest portfolio. The HarbourVest flagship product has a 55%, 15%, 30% split between Large/Mid Buyout, Small Buyout, and Venture/Growth. The Callan proposal is for the split to be 45%, 20%, 35% to reduce the overlap between HarbourVest and Pantheon. Cliff Haight made, and Andrew Jamison seconded, a motion to allocate the private equity portfolio at HarbourVest as suggested by Callan. The motion passed unanimously, with David McConico, Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

Public Comments

There were no public comments.

7) Report on Due Diligence, Education and Travel

There was no due diligence, education and travel.

8) Staff Report

Steve Shanks stated that the auditors and actuaries are finishing up with questions. Aaron Kahn is working on corrections to the submitted actuarial data. Payroll has been working with Steve to reconcile salaries with GERP contributions. This year the reconciliation has been more involved due to the transfer to Workday.

Steve noted that, through Workday, employees now have access to both the contribution and the interest on their cash values. Unfortunately, initially the participants' interest was doubled, but the issue has been corrected.

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Staff have purchased a new computer which will be set up by IT Guru. IT Guru has been responsive to issues, but Steve would like them to provide documentation of their internal controls and processes. GERP does have some additional requirements that their typical veterinarian clients do not need.

David McConico asked about a survey proposed by the personnel committee. Steve noted that Nancy Wishmeyer headed up the last GERP survey for the City. Steve also noted that little work has been done yet, but he anticipates that a survey would provide some valuable feedback and will be conducted later this year.

Callan plans on providing derisking proposals at the meeting in May. The current economic environment is providing some interesting opportunities.

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

Meeting Adjourned at 9:04 am
Minutes Submitted by Aaron Kahn

Minutes Approved

David L. McConico

4/18/2024

Chairperson of the Board

Date