

Minutes of the Regular Meeting
City of Aurora General Employees' Retirement Board
Held Thursday, September 19, 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, September 19, 2024, was a hybrid meeting conducted via WebEx and in person at the GERP office.

2) **Approval of the Minutes**

Tom Tobiassen made, and Cliff Haight seconded, a motion to approve the minutes of the Regular Meeting held on August 15, 2024, and the Investment Managers Meeting held on August 22, 2024. The motion passed unanimously with David McConico, Cliff Haight, Andrew Jamison, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn, for. Michelle Reding abstained from the approval of the Regular Meeting.

3) **Treasurer's Report**

Steve Shanks reviewed the financial statements and investment performance for July. As of September 13, 2024, the fund was valued at approximately \$651 million.

Transfer from Western Asset Management to Fidelity is in process.

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

37 participants received lump sum payments totaling \$378,838.62.

5) **Approval of Retirement Benefits**

Aaron Kahn presented the retirement calculations for Floyd Alexander, Maria Flageolle, Kathryn Gilmore, John Handzo, Andrew Horner, and Antonio Tebsherani. Tom Tobiassen made, and Sue Sandstrom 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.

6) **New Business**

There was no new business.

7) **Old Business**

A) **Update on GERP Election**

Three candidates, Tim Knox, Ethan Saidman and Trevor Vaughn, are running in the 2024 Board Election. The election will be conducted using Survey Monkey. A representative from the Election Commission will review the process and ratify the election results. Poll will close at noon on Wednesday, October 16th.

B) **Update to Auditor Request for Proposal**

Steve Shanks has sent the financial statement audit request for proposal directly to seven candidates; Forvis, Clifton Larson Allen, Crowe, Eide Bailly, Moss Adams, Plante Moran, and UHY. Trevor Vaughn provided GFOA best practice for audit services procurement which can be found at <https://www.gfoa.org/materials/audit-procurement>.

Multiyear contracts are encouraged which can help save costs, including the additional “startup” costs in the first year of a contract with a new auditor. At the end of each contract, GFOA encourages a full-scale competitive process which should include all qualified firms, including the current auditor. If Forvis is selected, senior engagement staff should be rotated to provide a fresh perspective. Steve Shanks noted that Forvis is interested and will be rotating senior staff as suggested in GFOA’s best practices.

Carol Toth, the Manager of Accounting, Finance, explained that due to the complexity of the new enterprise resource planning entering phase 2, Aurora City Management would like to encourage the Board to strongly consider continuing the relationship with Forvis. Terri Velasquez explained that a new auditor adds to the workload of employees of the Finance Department, which has been explained to Jason Batchelor, City Manager. Keeping Forvis improves the efficiency of the flow of information for controls and processes between GERP and the City. Terri explained that the City is offering to contribute \$25,000 per year over the next 3 to 5 years if the Board selects Forvis. The base audit fee for 2024 was \$44,000.

The Board will conduct a search for new auditors and will consider the City's offer as part of its decision. Michelle Reding noted for full disclosure that Dry Dock uses and has a good relationship with Eide Bailly.

C) Update on Lease Renewal

Steve Shanks stated that office space in Aurora is currently between \$16 and \$20.50 per square foot with an average of \$19.00. He continues to negotiate with the owner of the current office space but feels like the lender is calling the shots. There are a lot of empty offices available.

Steve discussed availability of office space at the AMC with Trevor Vaughn, Scott Newman, and Hans Hernandez. Keeping the office separate from the AMC preserves the privacy of individuals exploring their retirement options. Steve and Trevor stated that space at the AMC is not an option at this time. If a deal cannot be reached for the current space, it may make sense to look at office space closer to the AMC.

Scott Newman proposed that the City could provide IT services to GERP, including hardware support and security. GERP would be isolated from the City's system, but by having the City provide services, there might be an improvement in the secure sharing of information between GERP, Human Resources, and Payroll. GERP's office size is presenting some difficulty in finding a provider that can fulfill our reporting requirements.

Public Comments

There were no public comments.

8) Report on Due Diligence, Education and Travel

Terri Velasquez, Trevor Vaughn, Sue Sandstrom and Steve Shank all attended the Colorado Public Plan Coalition conference. They do a great job of presenting information for both defined benefit and defined contribution plan. There were presentations on trends, legislation, and

policy changes. Sue Sandstrom found that the presentation on AI and cyber security to be informative. Trevor Vaughn attends every year and feels that the conference provides rounded knowledge on investments and policy, but also provides an opportunity to network with other jurisdictions, vendors, managers, and advisors.

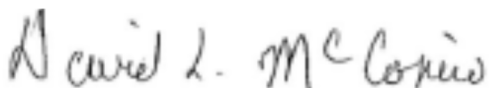
9) Staff Report

Steve and Becky Schiller are working together to provide a better review of financial statements and Steve is training Becky to better understand QuickBooks. Aaron stated that Becky has helped immensely by tackling a lot of the day to day situations giving him more time to address the more complex issues.

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

Meeting Adjourned at 9:15 am
Minutes Submitted by Aaron Kahn

Minutes Approved



October 17, 2024

Chairperson of the Board

Date