

Minutes of the Regular Meeting
City of Aurora General Employees' Retirement Board
Held Thursday, February 20, 2025
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
	Hanosky Hernandez (City Attorney)	Present
Staff	Steven Shanks	Present
	Aaron Kahn	Present

The Board Meeting held on Thursday, February 20, 2025, was a hybrid meeting conducted via Webex and in person at the GERP office.

1) Approval of the Minutes

Sue Sandstrom made, and Cliff Haight seconded, a motion to approve the minutes of the Regular Board Meeting held on January 16, 2025. The motion passed unanimously with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, and Tom Tobiassen, for. Trevor Vaughn abstained.

2) Treasurer's Report

Steve Shanks reviewed the financial statements and investment performance for January. As of February 18, 2025, the fund was valued at approximately \$663 million.

3) Review of Lump Sum Distributions for January

39 participants received lump sum payments totaling \$551,941.37.

4) Approval of Retirement Benefits

Aaron Kahn presented retirement calculations for Jacqueline A. Chomiak, Aloysius C. Pelz, and John Smith. Michelle Reding made, and Trevor Vaughn seconded, a motion to approve retirement benefits. The motion passed unanimously with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn, for.

Public Comments

There were no public comments.

5) New Business

A) Review FORVIS Mazars Pre-Audit Letter

The auditor is required to communicate to the Board the scope of the audit and standards under which the audit is conducted. The audit will be conducted under auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial statement audits contained in *Government Auditing Standards* (GAGAS) issued by the Comptroller General of the United States.

FORVIS Mazars is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management have been prepared in accordance with the applicable financial framework. GERP is responsible for keeping good records and following applicable controls.

In addition, FORVIS Mazars will review the Annual Comprehensive Financial Report.

B) Review Draft Ordinance for Change in Short-Term and Long-Term Disability

The City of Aurora is self-insuring short-term disability and the first year of long-term disability. Hanosky Hernandez has a draft of a proposed amendment to the Plan that clarifies that the definition of compensation will include the short-term and long-term disability payments which are paid by the City. In addition, it clarifies that disability includes both the disability benefits paid directly by the City as well as the disability benefits paid by a third-party insurer.

This change will not affect the disability retirement benefits from GERP. GERP will receive a small additional amount in contributions during the period that the City is paying the disability benefits.

Page 3

Board members agreed that the changes seemed reasonable.

C) Form a Committee for GERP Survey

Cliff Haight, Trevor Vaughn, and Andrew Jamison volunteered to be on a committee to develop questions for the GERP survey.

D) Preview of Segal Bryant & Hamill Consent of Assignment of Advisory Agreement

The Board reviewed an email from Alex Browning stating that CI Financial has entered into an agreement to be taken private with an all-cash offer from Mubadala Capital. CI Financial, a publicly traded Canadian financial services company, is the parent company of Segall Bryant & Hamill. Mubadala Capital is an asset management affiliate of Mubadala Investment Company, a sovereign wealth fund of the government of Abu Dhabi. The transaction is anticipated to be completed in the summer of 2025.

Alex stated that Callan expects little change to the operations, leadership, and investment teams at Segall Bryant & Hamill, with the primary effect impacting the parent company. Callan will continue to monitor the situation.

E) Proposal of Contract with the Berwyn Group

Steve Shanks has contacted Berwyn Group to inquire about their death audit services. Historically, GERP has used records generated by the Berwyn Group software to the custodian bank to track the deaths of its retiree population. This report contains many false positives that staff spend time reviewing to determine accuracy. These reports were more accurate up until 2014 when Federal legislation changed the rules for access to the Social Security Death Master File, which made it much more difficult to ascertain whether a participant may have died.

Berwyn Group is the industry leader in providing death audits for pension plans and other financial providers. Other resources exist, but most of them are oriented at medical research, not pension plans. The Berwyn Group has offered a product that filters out the false positives and that would apply not only to the retirees, but also spouses, beneficiaries, and deferred vested participants. The accuracy of the filtering means that death records provided by the Berwyn group are actionable.

Board members requested that Steve further investigate other options to see if the Berwyn Group pricing is reasonable.

F) FAMLI Status

While reviewing the regulations for Colorado's Family and Medical Leave Insurance Program (FAMLI), Steve Shanks discovered that the program applies to GERP staff. GERP staff should have started contributions to the program as of 2023. Hanosky Hernandez noted that GERP does not qualify as a local government and cannot opt out. He noted that GERP is a trust for public employees which acts closer to a private trust than to a public entity. This status protects the assets of the trust and ensures that the Board has absolute control over the fiduciary decisions that they make regarding those assets.

GERP will provide retroactive payments to FAMLI and staff will begin contributing 0.45% of their salary to the program. Board members expressed some surprise that the State of Colorado hadn't informed GERP of the obligation as well as that the auditors and legal advisors hadn't caught the issue earlier.

6) Old Business

There was no old business.

7) Report on Due Diligence, Education and Travel

David McConico noted that both Heitmann and HarbourVest have conferences coming up.

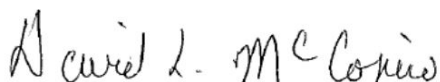
8) Staff Report

Staff have been busy with actuary data and the audit.

Cliff Haight made, and Andrew Jamison, 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 9:50 am
Minutes Submitted by Aaron Kahn

Minutes Approved



March 20, 2025

Chairperson of the Board

Date