

Minutes of the Regular Meeting
City of Aurora General Employees' Retirement Board
Held Thursday, October 16, 2025
12100 East Iliff Avenue, Suite 108
Aurora, CO 80014

8:00 AM - Meeting Called to Order

Roll Call

Chairperson	David McConico	Present
Legislative Members	Cliff Haight	Excused
	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, October 16, 2025, was a hybrid meeting conducted via Webex and in person at the GERP office.

1) Approval of the Minutes

Sue Sandstrom made, and Tom Tobiassen seconded, a motion to approve the minutes of the Regular Meeting held on September 18, 2025. The motion passed unanimously with Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn, for. Michelle Reding abstained.

2) Treasurer's Report

Steve Shanks reviewed the financial statements and investment performance for August. As of October 13, 2025, the fund was valued at approximately \$706 million.

3) Review of Lump Sum Distributions for September

13 participants received lump sum payments totaling \$112,486.35.

4) Approval of Retirement Benefits

There were no retirement benefits to approve.

Public Comments

There were no public comments.

5) New Business

A) Results of the Board of Trustees Election

Andrew Jamison was the only candidate who met all the requirements for the employee election. The Board congratulated Andrew Jamison and thanked him for his continued service.

B) Report from the Actuary Search Committee

Michelle Reding reported on Actuary Search Committee meeting on Monday, October 13, 2025. GERP received responses from Cavanaugh MacDonald Consulting, Foster & Foster, Gabriel Roeder Smith & Company, and Milliman. The Committee proposed inviting Foster & Foster, Gabriel Roeder Smith, and Milliman for interviews in November.

Trevor Vaughn noted that it has been 6 years since the last actuarial experience study. Whichever actuary GERP selects will be conducting the next experience study, which might be discussed as part of the interview process.

Actuaries continue to work on mortality assumptions to try to properly consider data prior to and after the COVID-19 pandemic. Mortality increased at all ages from COVID and we've yet to see whether it will revert to pre-pandemic levels or will continue to remain higher. Mortality assumptions have a significant impact on actuarial valuations.

C) HarbourVest Update

Fran Peters and Blaire Leland

Fran Peters presented a report on HarbourVest. He noted that HarbourVest has been in business for over 40 years and currently has \$147.9 billion in assets under management. They specialize in private markets including equity, credit, and infrastructure. HarbourVest's global

team includes over 225 investment professionals. HarbourVest has an integrated quantitative analysis team that tracks over 5,000 managers.

Trevor Vaughn expressed his concern that the private equity market may have become saturated by investors chasing returns. Fran Peters noted that there continue to be diverse opportunities in the private equity market and that several large public firms have become private. He strongly believes that private equity will continue to provide excess returns and the benefit of diversity versus the public markets.

Trevor Vaughn also noted the leveraged buyout of Toys R Us by Vornado Realty Trust, KKR and Bain Capital. These private equity firms have been blamed for the demise of Toys R Us by increasing the company's debt obligations from \$2.3 billion to \$7.6 billion. Fran Peters noted that stories like Toys R Us create a lot of bad press, but many of the success stories of private equity do not get in the news. Private equity firms do come in and restructure companies in significant ways which can lead to both success stories as well as disappointing outcomes.

Aaron Kahn asked if it was possible, as a fund of funds, to provide additional statistical information about sector exposure, company cash flow, and other statistical information beyond what is currently provided. Mr. Peters suggested that some of that information is available and he would get back to the Board.

Aaron Kahn also asked about trends in exit strategies. Mr. Peters noted that traditionally private companies hoped to have an initial public offering or an acquisition. More recently there are other exit strategies including continuation vehicles and dividend recapitalization.

D) Cost-of-Living Adjustment for January 1, 2026

Aaron Kahn reviewed the cost-of-living information for January 1, 2026. Due to the government shutdown, the CPI-W report has been delayed. The increase for the Tier 1 Regular Benefit won't be available until the November Board Meeting.

Board members discussed the discretionary cost-of-living increase for Tier 2 retirees. The actuaries have expressed concern that consistently awarding cost-of-living increases to Tier 2 participants would force them to add in a higher assumption. Aaron Kahn provided demographic data for the group. Trevor Vaughn made, and Tom Tobiassen, seconded a motion to increase the Tier 2 Regular Benefit by 1% on January 1, 2026. The motion passed unanimously with Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn, for.

Board members agreed to leave the Supplemental Benefit unchanged.

E) Interest Credited to Participant Cash Value

Board members agreed to not change the interest credited assumption of 4% compounded biweekly.

F) Discussion on Process for Pension Plan Administrator Review

Trevor Vaughn noted that the review committee has not changed the process for the review of the Pension Plan Administrator. Steve Shanks will provide information for the review packet which will then be sent to Board members at the beginning of November.

6) Old Business

There was no old business.

7) Report on Due Diligence, Education and Travel

There is no report on due diligence and travel.

8) Staff Report

Steve Shanks noted that staff members are working to provide data to the Berwyn Group, including information on the deferred vested participants. In addition, staff are reviewing the accuracy of information in preparation for the audit and actuary requirements.

Callan continues to ask for information for the custody search and will be meeting with Northern Trust.

Staff members are also working on getting the surveys of plan participants out by the end of the year.

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

Meeting Adjourned at 9:56 am
Minutes Submitted by Aaron Kahn

Minutes Approved

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Daniel L. McCoskie

Chairperson of the Board

November 20, 2025

Date