

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

Held Thursday, December 10, 2020  
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	Janice Napper (for the City Manager)	Present
	Terri Velasquez (Finance)	Present
	Renee Mosley (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 10, 2020 was conducted via WebEx.

**2) Approval of the Minutes**

Sue Sandstrom made, and Tom Tobiassen seconded, a motion to approve the minutes of the regular meeting held on November 19, 2020. The motion passed unanimously with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

**3) Treasurer's Report**

Steve Shanks reviewed the financial statements and investment performance for October. As of December 4, 2020, the fund was valued at approximately \$552.6million.

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

Ten participants received lump sum payments totaling \$134,825.28.

**5) Approval of Retirement Benefits**

Aaron Kahn presented the retirement calculations. Trevor Vaughn made, and Tom Tobiassen seconded, a motion to approve retirement benefits for **Vicki Hooper and Mark Geyer**. The motion passed unanimously with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for.

**6) Old Business**

**A. Private Equity Commitment Discussion**

Board members discussed whether there's consensus on the continued commitment to Private Equity. Board members feel that private equity is an appropriate asset class for GERP. The asset class adds diversity and enhances return. Board members are open to strategies outside of the current fund of funds strategy, but also feel that certain direct strategies are not appropriate for a plan of our size. A few Board members indicated that they were not happy with Abbott's performance and would like to have Callan do a search for another manager. Steve Shanks will be working with Callan to come up with search criteria to be presented at a future Board meeting. Board members feel that a search is appropriate at this time since the industry has changed since the last search was done.

**Public Comments**

There were no public comments.

**7) New Business**

**A. 2021 GERP Operating Budget**

Steve Shanks presented a draft of the 2021 GERP operating budget. He noted that the increase in the budget from 2020 is mostly due to the increase in expected management fees given recent returns. Renee Mosley warned that she's seen a significant increase in insurance premiums. Steve noted that the insurance renewals happen as of September 1<sup>st</sup> and therefore would only be for 4 months of 2021.

Trevor Vaughn has always felt that the holiday reception falls outside of the Board's primary obligation to provide a stable monthly lifetime pension. Trevor made, and David McConico seconded, a motion to permanently cancel the holiday reception. The motion did not pass. David McConico, Tom Tobiassen, and Trevor Vaughn votes for, and Cliff Haight, Andrew Jamison, and Sue Sandstrom against. Michelle Reding was not available for the vote.

Sue Sandstrom made, and Cliff Haight seconded, a motion to approve the 2021 Operation Budget as presented. The motion passed with Cliff Haight, Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for. Michelle Reding was not available for the vote.

**B. Pension Plan Administrator's 2020 evaluation and 2021 compensation**  
**Executive Session**

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Sue Sandstrom made, and Cliff Haight seconded a motion, to enter executive session to discuss the Pension Plan Administrator's evaluation. The motion passed unanimously. After the executive session, Cliff Haight made, and Sue Sandstrom seconded, a motion to leave executive session.

The Board thanked Steve Shanks for the work that he's done throughout this challenging year. Trevor Vaughn made, and Cliff Haight seconded, a motion to increase Steve Shanks compensation by 2.5% as of January 1, 2020, and to also pay him a bonus of \$2,500 payable before year end. The motion passed with Cliff Haight, Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for. Michelle Reding was not available for the vote.

**C. 2021 Interest Crediting Rate on Employee Contributions**

Aaron Kahn presented information on the history of the interest rate credited to employee contributions. He noted that this interest rate does not just impact those individuals who cash out, but also money purchase pension values. Tom Tobiassen made, and Cliff Haight seconded, a motion to leave the interest rate credited to employee contributions at 4%. The motion passed with Cliff Haight, Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for. Michelle Reding was not available for the vote.

**8) Report on Travel**

Steve Shanks attended a virtual meeting with Abbott. He noted that Abbott Fund V is in liquidation and that there will be no management fee on Fund V after May.

Sue Sandstrom attended a one-hour webinar on Private Equity hosted by Pensions and Investments. She noted that private equity managers are seeing a lot of opportunities.

**10) Staff Report**

Aaron Kahn will be working with human resources to create a video presentation summarizing the plan for new hires.

Cliff Haight made, and Tom Tobiassen seconded, a motion to adjourn. The motion passed with Cliff Haight, Andrew Jamison, David McConico, Sue Sandstrom, Tom Tobiassen, and Trevor Vaughn for. Michelle Reding was not available for the vote.

Meeting Adjourned at 10:35am  
Minutes Submitted by Aaron Kahn

Minutes Approved

David McConico  
Chairperson of the Board

1/21/2021  
Date