

Minutes
Employee's Retirement System Board of Trustees
November 8, 2017
Quarterly Meeting

Call to Order: Chair Angeline Lavin called the meeting of the Employee's Retirement System Board of Trustees to order at 8:30 a.m. at the Main Library.

Board Members Present: Matthew Adamson
Cathy Bianchi
James Larson
Angeline Lavin
Amy Richardson
Lon Tiggelaar, via phone

Board Members Absent: Donn Hill

Staff Members Present: Tracy Turbak, Director of Finance
Thomas Huber, Assistant Director of Finance
Diane Best, Assistant City Attorney
Angie Uthe, Compensation & Benefits Manager
Kathy Pottebaum, Payroll/Benefits Specialist
Angie Richmond, Paralegal

Others present: Firefighters' Pension Fund Board of Trustees members: Randy Farland, Matt McAreavey, Mark Sivertson & Tyler Stewart
Howard Pohl & Peter Brown, AndCo Consulting

The Employee's Retirement System Board of Trustees and the Firefighter's Pension Fund Board of Trustees met in joint session.

A motion was made by Larson, seconded by Adamson, to approve the August 9, 2017 meeting minutes. Motion carried unanimously.

Howard Pohl and Peter Brown presented the Board with the 2017 third quarter performance report. The performance in the quarter of 3.4% ranked just above the median versus all plans within the AndCo Consulting plan universe and was just below the policy benchmark. The annual 14.3% return was top decile and above the policy bogey, while the five year 10.1% ranked in the top decile and beat the policy. The market value of the Fund increased from \$445.8 million to \$456.6 million in the quarter.

Upon recommendation of Howard Pohl and Peter Brown, Sawgrass will be invited to review the market and their portfolio at the February 2018 meeting.

Huber reviewed recent transactions and the current Investment Allocations and Manager Structure. No changes or actions were recommended.

Huber updated the Board on the final transactions related to the closing of the 401(h) Fund, establishment and funding of the 115 Trust at the City, and the transition of

remaining 401(h) balances to the City and back to the pension trust as an unallocated reserve.

A motion was made by Tiggelaar that the Board approve the use of reserve funds separately from the annual actuarial report approval to clearly illustrate any use of those dollars. Motion failed due to lack of a second.

Howard Pohl and Peter Brown provided an asset allocation analysis as a follow-up to the asset liability model presented by Gabriel Roeder Smith at the last meeting.

A motion was made by Larson, seconded by Adamson, to revisit the asset allocation modeling at the February 2018 meeting. Motion passed unanimously.

Howard Pohl and Peter Brown presented the Boards with a request for a 10% fee increase for consulting services as the initial five-year contract term has come to an end. No action was taken pending the presentation of a formal written request for an amendment to the agreement.

A motion was made by Bianchi, seconded by Richardson, to adjourn the meeting. Motion passed unanimously.

The Board adjourned at 10:44 a.m.

Respectfully submitted,

Angie Uthe
Recording Officer