

**Minutes
Employee's Retirement System Board of Trustees
May 8, 2019
Quarterly Meeting**

Call to Order: Chair James Larson called the meeting of the Employee's Retirement System Board of Trustees to order at 8:30 a.m. at City Hall.

Board Members Present: Matthew Adamson
Cathy Bianchi
Donn Hill
Ben Kyte
James Larson
Kristin Lobien
Mark Sivertson

Board Members Absent: None

Staff Members Present: Shawn Pritchett, Director of Finance
Bill O'Toole, Director of Human Resources
Thomas Huber, Assistant Director of Finance
Angie Uthe, Compensation & Benefits Manager
Kathy Pottebaum, Payroll/Benefits Specialist

Others present: Firefighters' Pension Fund Board of Trustees members: Randy Farland, Angeline Lavin & Matt McAreavey
Peter Brown, AndCo Consulting
Louise Gates, Gabriel Roeder Smith & Company

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

A motion was made by Sivertson, seconded by Adamson, to approve the February 12, 2019 meeting minutes. Motion carried unanimously.

Peter Brown presented the Board with the March 31, 2019 first quarter total fund performance and rank to the total plan universe as follows: Quarter 9.38% (17), 1 year 5.77% (11), 5 year 7.10% (10), and 10 year 12.37% (2). The market value of the Fund increased from \$443.2 million to \$479.1 million in the quarter.

Tom Huber reviewed the Investment Allocations and Manager Structure.

Tom Huber presented the Board with the 2018 Annual Financial Statements which are prepared in accordance with Generally Accepted Accounting Principles (GAAP), are audited as part of the City's independent annual audit, and published as part of the City's Comprehensive Annual Financial Report. The year-end statements showed a decrease in net assets from \$469.4 million to \$441.2 million for the year ending December 31, 2018.

A motion was made by Bianchi, seconded by Sivertson, to accept the 2018 Annual Financial Fund Statement. Motion carried unanimously.

Louise Gates presented the board with the December 31, 2018 Annual Actuarial Valuation. The report indicated that the combined general and police divisions had an actuarial value funded ratio of 101.4% for pension benefits as of December 31, 2018. The results of the valuation identified the City's 2020 pension contribution of \$6,082,035 for the general division and \$3,963,593 for the police division.

A motion was made by Adamson, seconded by Kyte, to accept the 2018 Annual Actuarial Valuation. Motion carried unanimously.

Uthe presented the board with the 2018 pension logs, which reports all retirements, stipends, refunds, deferred retirements, and deaths of plan members in the general and police divisions.

A motion was made by Bianchi, seconded by Sivertson, to accept the 2018 pension logs for both divisions. Motion carried unanimously.

A motion was made by Sivertson seconded by Bianchi, to enter into executive session pursuant to SDCL 1-25-2 and 1-27-1.5(2), for review of personal medical records for purposes of determining eligibility for ongoing disability benefits. Motion carried unanimously.

A motion was made by Hill, seconded by Kyte, to exit executive session. Motion carried unanimously.

A motion was made by Kyte, seconded by Bianchi, to continue disability benefits for Melanie Wynthein. Motion carried unanimously.

A motion was made by Hill, seconded by Kyte, to adjourn the meeting. Motion passed unanimously.

The Board adjourned at 10:00 a.m.

Respectfully submitted,

Angie Uthe, Recording Officer