

Minutes
Employee's Retirement System Board of Trustees
May 5, 2021
Quarterly Meeting

Call to Order: Chair Matt Adamson 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
Donn Hill
James Larson
Kristin Lobien
Amy Richardson
Mark Sivertson

Board Members Absent: Ben Kyte

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

Others present: Firefighters' Pension Fund Board of Trustees members: Ryan Cox, Randy Farland, Loren Koepsell & Angeline Lavin
Peter Brown, AndCo Consulting
Louise Gates, Gabriel Roeder Smith & Company (via Webex)

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

Chairperson Adamson provided an opportunity for any public to address the Board. No comments received.

A motion was made by Larson, seconded by Lobien, to approve the February 3, 2021 meeting minutes. Motion carried unanimously.

Peter Brown presented the Board with the March 31, 2021 1st quarter total fund performance and rank to the total plan universe as follows: Quarter 3.68% (23), 1 year 38.58% (21), 5 year, 11.14% (16), and 10 year 9.72% (7). The market value of the Fund increased from \$562.1 million to \$582.5 million in the quarter.

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

Louise Gates presented the board with the December 31, 2020 Annual Actuarial Valuation. The report indicated that the plan had an actuarial funded ratio of 101.3% as of December 31, 2020. The results of the valuation identified the City's 2022 pension

contribution of \$9,997,846. Gates recommended an actuarial study of the system experience be conducted for presentation by the end of the year.

A motion was made by Sivertson, seconded by Lobien, to accept the 2020 Actuarial Valuation Report. Motion carried unanimously.

A motion was made by Larson, seconded by Richardson, to authorize staff to enter into a contract with Gabriel Roeder Smith & Company for the actuarial study. Motion carried unanimously.

Tom Huber presented the Board with the 2020 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 an increase in net assets from \$517.5 million to \$569.8 million for the year ending December 31, 2020.

A motion was made by Sivertson, seconded by Lobien, to accept the 2020 Annual Financial Fund Statement. Motion carried unanimously.

Angie Uthe presented the board with the 2020 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 Larson, seconded by Sivertson, to accept the 2020 pension logs for both divisions. Motion carried unanimously.

Peter Brown provided a securities lending summary for the Northern Trust index funds for the past year and briefly discussed the System's participation in the Northern Trust securities lending program.

Trustee James Larson announced his intention to step down from the Board in light of his upcoming retirement from the Police Department. This is his last meeting and he was grateful for the time on the Board.

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

The Board adjourned at 10:00 a.m.

Respectfully submitted,

Angie Uthe
Recording Officer